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REGIONAL DEVELOPMENT IN EASTERN QUEBEC:

A MARXIST PERSPECTIVE

by

John N. Vardalas, B.A., M.Sc.

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A thesis submitted to the Faculty of Graduate
Studies and Research in partial fulfilment
of the requirements for the degree of Master
of Arts
in Geography

Department of Geography

Carleton University

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July 14, 1983

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The undersigned recommend to the Faculty of Graduate
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"REGIONAL DEVELOPMENT IN EASTERN QUEBEC: A MARXIST PERSPECTIVE"

Submitted by John N. Vardalas, B.A., M.Sc.
in partial fulfilment of the requirements for
the degree of Master of Arts.

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ABSTRACT

Starting from a marxian perspective, I review some of the paradigms underlying capitalist regional planning. I then explore the relevancy of the marxian concepts of crisis and alienation to the issue of uneven spatial development. The region of Eastern Quebec and two associated regional studies - the BAEQ and OPDQ studies - were chosen as a backdrop for this thesis.

This analysis brings to light the basic incompatibility that exists between the various socia-economic, and ethical goals espoused in the BAEQ and OPDQ studies, and the capitalist political economic paradigm within which material reproduction is carried out.

One can also conclude that within the present-day Quebec - Canadian - North American capitalist system, there is very little Eastern Quebec can do to eliminate the socio-economic disparities existing between itself and the province as a whole.

PREFACE

The aim of this thesis is two-fold:

1. to examine, from a Marxist perspective, some of the paradigms underlying capitalist regional planning;
2. to offer the Marxian concepts of "crises" and "alienation" as important analytical tools for understanding the origins and consequences of uneven spatial development.

In this way, I hope to bring to light some of the contradictions arising in regional planning within capitalist society.

Instead of pursuing the above aims at the abstract level, I decided to anchor the arguments in a particular setting. Two important studies on Eastern Quebec's development - the BAEQ (Bureau d'aménagement de l'Est du Québec) and the OPDQ (Office de planification et de développement du Québec) studies - will serve as backdrops for this thesis.

Any one of a number of regional studies - at the national, provincial or sub-provincial levels - could have been selected as backdrops. My interest in Quebec dictated the choice of locality. In addition, the BAEQ and OPDQ studies were selected because:

1. I view the studies as representative of capitalist regional development strategies;
2. these studies, separated by twelve years, offer different development perspectives within the capitalist political economy;

3. both studies attempt to deal with the issue of uneven regional development.

The content, structure and perspective of each chapter are determined by the aims referred to above. In Chapters One and Two, a sufficiently, but not excessively, detailed description of the two studies is given in order to allow the reader to situate the studies as representative of capitalist regional planning.

In Chapter Three, the key premises underlying the BAEQ and OPDQ studies are discussed. These premises are seen as the key components in the broader theoretical structure of capitalist economic geography.

In Chapter Four, the question of agricultural marginality in the process of uneven spatial development is raised. A simple quantitative analysis demonstrates that, in Eastern Quebec, socio-economic disparities within the agricultural sector cannot be simply attributed to disparities in the agricultural resource base. The reader should keep in mind that this is not a thesis on agricultural development. If it were, a more detailed analysis would certainly be needed: a closer examination of land-use, along with an analysis of the existing backward and forward linkages within the food production-transformation sector. Rather, the interest in agriculture arises from the importance assigned to agriculture, by the BAEQ and OPDQ studies, in the region's development.

Chapters Five and Six represent a compromise between an in depth analysis of marxist theory on the one hand, and a detailed regional study devoted to the particularities of Eastern Quebec on the other. In Chapter Five, I propose

the Marxian concept of crises as an important mechanism of uneven spatial growth. The Chapter's arguments are far from conclusive. Chapter Five should be seen as a first step in the exploration of the idea that the endemic nature of crises has profound spatial impacts.

In Chapter Six, the significance of regional alienation, and the espousal of "place-place" exploitation within the process of uneven spatial development are examined. The Marxist perspective offers important insights into the dilemmas of capitalist regional planning. The social, ethical or moral imperatives - such as equity, dignity, human solidarity, and the belief that all must be allowed to develop their physical and mental potentials - assigned to development strategies are in contradiction within the manner in which capitalist society reproduces itself materially. The BAEQ and OPDQ studies are excellent examples of this contradiction.

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INTRODUCTION

For many years, all those concerned over Eastern Quebec's⁽¹⁾ persistent poverty and chronic unemployment, inadequate social services, and the growing social deterioration in the rural areas strove to rectify these injustices through a variety of state programs.

Two important strategies were put forward -- one in 1965 under the direction of the BAEQ ("Le Bureau d'Aménagement de L'Est du Québec), and the other in 1979 under the OPDQ (L'Office de Planification et de Développement du Québec) -- in an attempt to lift Eastern Quebec from its underdeveloped state. Both plans suggested, in their own fashion, that a holistic approach was needed if economic stability were to be introduced into the region.

Though the BAEQ plan spoke of popular involvement, and consultation in the planning process, it remained, nevertheless, an externally imposed model of development, with modernization and mobility (socially and spatially) as two of its cornerstones. Despite the model's unpleasant feature of population relocation, most of the region's inhabitants reluctantly accepted the model because of the promise of a better life that it held out. In the years that followed, the high expectations raised by the BAEQ plan went unfulfilled.

The rural poor felt frustrated and betrayed. People were tired of being treated as factors of production in a provincial economic equation. A new social movement arose, called "Les Opérations Dignité", which sought to gain control over the planning decisions affecting the region's future. People were refusing to abandon their homes in search of

work. No longer would the region tolerate emigration as a solution to its deteriorating economic existence, especially when cities like Montreal (a popular destination for emigrants in search of work) were experiencing their own economic hardships. No longer could Eastern Quebec look elsewhere for solutions to its problems. In addition, people wanted a direct say in the future development of their territory.

The OPDQ plan was an offspring of this social outcry for a just, and locally based development. The BAEQ plan was, as a whole, a failure. It is still too early to judge the results of the OPDQ proposals. However, I feel that the OPDQ plan will also be doomed to the same fate as the BAEQ strategy. The second plan appears to be a radical departure from the first. Its call for "L'autodéveloppement", popular involvement, and power decentralization make it seem quite promising. On closer scrutiny, we find that both plans are rooted in the same political, economic, social, and spatial paradigms that underly the capitalist mode of production.

There seem to be two distinct conceptual levels at work in both plans. The first level rests on the surface of things. It speaks of a humanistic approach to development: human-centered development. It speaks of an economic system capable of liberating all men, and promoting human dignity. The second conceptual level goes unnoticed because it represents the unquestioned paradigms of the capitalist mode of production; private property, profit maximization, commodity production and labour as a commodity. The role of the church in the movement "Les Opérations Dignité" offers a good example of this dualism.

The church was instrumental (or at least some of it was) in promulgating the humanistic concept of economic development. In several manifestos⁽²⁾ the church spoke of the Christian notion of community, and of human liberation in its fullest sense. The Christian faith had, as a mission, the liberation of humanity. However, by its silence, the church had effectively, based its conception of material life on a system rooted in private property, class domination, and the "selling of one's soul" in the marketplace.

This thesis essentially combines two complementary topics. In the first half, I present the main economic, and spatial themes contained in the two plans mentioned above. In addition, I will fill out this outline with some observations on the uneven spatial development of agriculture in Eastern Quebec, and its relation to the issue of marginality. The second half of this thesis entails a review of the marxist interpretation of the capitalist mode of production. In particular, we would like to introduce the marxist notions of alienation and crises, and then explore some of their theoretical implications for the role of space in capitalist development.

By juxtaposing the second, and theoretical, half of the thesis with the first half we hope to bring to light the basic incompatibility of the various broad development goals set forth in the two strategies referred to above.

The broad goals of these two plans fall into three categories: ⁽³⁾ (1) economic development; (2) a recognition of the fundamental dignity of all human beings; (3) the importance of communal or social solidarity (Dumais, 1979). The last two are socio-ethical statements on a type of development where all citizens share in the material gains of society.

These socio-ethical values view development in terms of the individual, social awareness, and a collective consciousness.

The economic development goal refers to improving the material conditions of existence. More specifically, it calls for raising the region's standard of living vis-à-vis the provincial average. In both plans, any meaningful and lasting increase in the region's standard of living could only come about through a process of modernization and economic development -- all within a capitalist political economy.

If we accept the marxian interpretation of capitalist development then crises become an endemic part of the evolution of capitalism. The spatial ramification of this contention is an inherent spatial mosaic of uneven development. It also implies a constantly shifting pattern of uneven development. The actual mosaic, at any given moment in time, will depend on the historical conjuncture of a specific set of political, economic, social and geographic forces.

We can also conclude from a marxist interpretation that the capitalist mode of production is fundamentally alienating. This, we feel, is marxism's major contribution to our understanding of capitalism. Human dignity and communal solidarity can have no meaning in a system where there is private property and wage labour. The anarchist slogan "Property is theft" bluntly summarizes this perspective.

The concept of alienation can be extended to space. One of the consequences of spatial alienation is the concept of places exploiting places. This parallels the constant interregional competition for capital.

Under these conditions, the idea of a regional consciousness degenerates into a crass form of nationalism; nationalism inspired by local capitalist interests (often called local elites).

CHAPTER ONE

THE B.A.E.Q. STUDY

This ten volume study of Eastern Quebec's socio-economic existence culminated in a series of recommendations that would, if implemented, lead Eastern Quebec out of its position of underdevelopment. A time horizon of fifteen years (1967 - 1982) was proposed within which to carry out the recommendations in their entirety. The region was lagging behind the province in almost all of the socio-economic indicators: per capita income, gross regional product, employment, education, health and social services, etc. The main thrust of the recommendations was to raise the region's socio-economic "well being" to the level of the provincial average.

Similar to the Third World demand, "Trade not aid", the study sought to eliminate the spatial disparities existing between Eastern Quebec and the rest of the province by a redistribution of industries and services, and not by simple transfers of money. In brief the plan advocated:

"Elimination des disparités par une 'redistribution des industries et des services et non par une redistribution monétaire sous forme de transferts gouvernementaux." (BAEQ, 9, 1965:5).

"Elimination du différentiel de revenu per capita entre le territoire et la province" (BAEQ 9, 1965:5).

"Il devient donc prioritaires de 'régionaliser' cette croissance assurée (Québécoise) afin de garantir un niveau de bien-être comparable aux habitants des diverses régions du Québec." (BAEQ 9, 1965:5).

Regional dignity demanded any increase in the region's standard of living come about through internal economic growth and not through government transfer payments.

Eastern Quebec's transformation from a peripheral society to an equal participant in the Quebec spatial economy was to come about, according to the study, by structural, socio-economic, and spatial transformations. These transformations would give rise to accelerated economic growth. Economic growth becomes synonymous with modernization. Hence, it is not surprising that the theme of modernization permeates the entire study. Eastern Quebec's unfavourable economic situation, via-à-vis the rest of the province, was seen as a reflection of the society's traditional socio-economic structures that blocked economic growth.⁽¹⁾

The modernization advocated was sweeping:

- the modernization of the various sectors of the regional economy, i.e. the traditional agricultural and fisheries sectors, forestry, and the poorly developed industrial sector.
- the modernization of the social structure of the work force, i.e. preparing it to function in a modern economy marked by high productivity, an ever changing technology, and mass consumerism ("...une population marquée par les attitudes des consommateurs urbains").
- the modernization of the region's spatial organization, i.e. restructuring space in order to better integrate the various sectors of the new economy, in order to better complement the sector by sector modernization proposed for the region.

In this chapter, we will confine ourselves to three facets of the modernization process recommended by the BAEQ study:

1. reorganizing space in order that it correspond to the realities and needs of a modern regional economy;

2. modernizing agriculture and the related transformation industries;
3. socio-economic transformations in the labour force.

Regional Space and the Plan's Objectives

The opening line of the ninth volume of the study reveals the importance given to space in regional development:

L'organisation rationnelle de l'espace régional est l'un des grands objectifs de développement du plan".

This obviously implies that the region's internal spatial organization had been irrational. The rest of the volume is an elaboration of what constitutes rational. This rationality involved the spatial integration of the sector by sector analyses found in the earlier volumes.

"...Il importera, dans les pages qui suivent d'envisager des propositions de chaque secteur du point de vue de l'espace. Tel est le premier objectif de ce chapitre: montrer l'intégration dans l'espace des diverses propositions sectorielles des chapitres précédents." (BAEQ 9, 1965:2)

In addition to the sector by sector integration, the rationalization of spatial organization revolved around an analysis of the spatial distribution of the population, and the spatial congruence or non-congruence of this distribution to the distribution of the various resources.

The region's population is distributed along the littoral, and along the valleys of the Matapédia and Temiscouata. With the exception of Murdochville, the interior of the Gaspé peninsula is uninhabited. In the portion of the region that is traditionally called "Le Bas St. Laurent" there is a greater penetration of the population into the interior.

At the time of the writing of the BAEQ plan, the region's population was widely dispersed in the form of small villages. The distribution of these small population centres was almost linear. In 1961 the region did not possess any population centres over 20,000 and it only possessed two municipalities between 10,000 and 20,000. The province, on the other hand, had 32 municipalities of over 20,000 inhabitants, and 39 municipalities with populations between 10,000 and 20,000:

"53% de la population du territoire vit dans des municipalités de 1,500 habitants et plus; 24% de la population habite des municipalités de 3,000 habitants et plus; et 11% seulement de la population habite des municipalités de 5,000 ou plus". (BAEQ 9, 1965:58)

Despite the above appearance of a scattered population, the BAEQ study discerns a clear move towards population concentration within the region:

"...Toutes les municipalités dont la population est inférieure à 500 habitants décroissent, alors que toutes les municipalités dont la population est supérieure à 4,000 habitants voient leur population augmenter. Entre ces deux extrêmes la progression est continue; seules les municipalités de 1,500 habitants et plus connaissent pour plus de 50% d'entre elles une augmentation de population." (BAEQ 9, 1965:59)

The study viewed the region's population distribution as having been due mainly to the spatial distribution of the region's resources. Though the spatial distribution observed by the BAEQ might have optimized the exploitation of the region's resources in the past, the spatial configuration was no longer an optimal one, given a change in the forces of production. The existence of a spatial structure, one that had been suited to past forces of production but inappropriate to the current forces of

production was seen by the BAEQ as a significant obstacle to economic growth:

"...La localisation de la population fondée à l'origine sur la proximité de la ressource n'est plus adéquate par rapport à ce critère. La dispersion de la population ne permet pas l'exploitation optimum de la ressource, parce que ces ressources souvent ne sont pas situées où la population habite." (BAEQ 9, 1965:61)

Given the communications and transportation technologies of the day, the study felt that proximity to the primary resource could no longer be the determining factor in future patterns of human settlement. In fact, the abundance of small population centres only resulted in unnecessary duplication of much needed social services. What the region needed were fewer and more concentrated population centres.

Because of its population distribution, the region was without a regional growth pole. In fact, there were two counties without secondary growth poles. Not only did the region's spatial structure lack a growth pole but it also lacked an adequate urban hierarchy through which to "transmit" "growth impulses" throughout the region. The absence of a proper urban hierarchy was one of the "irrational" features of the region's spatial organization that blocked economic growth.

"L'un des éléments fondamentaux de développement est certainement le réseau urbain et les relations de ce réseau avec l'hinterland où s'exploitent les ressources. Dans le territoire-pilote, où l'habitat est dispersé et où il n'y a pratiquement pas de villes importantes, l'établissement d'une armature urbaine devient une première nécessité.Il n'y a pas, à l'heure présente, de véritable pôle de développement socio-économique qui rayonne sur l'ensemble du territoire...." (BAEQ 9, 1965:114)

In an attempt to rationalize space, the BAEQ plan put forth a series of recommendations.

Recommendation 19:

"Le B.A.E.Q. propose que la région-pilote soit divisée en trois sous-régions socio-économique". (BAEQ 9, 1965:112)

Recommendation 20:

"Le B.A.E.Q. recommande de reconnaître et de favoriser l'expansion du pôle socio-économique de la sous-région I. Rivière du Loup, en la nommant zone industrielle et urbaine prioritaire". (BAEQ 9, 1965:115)

Recommendation 21:

"Le B.A.E.Q. recommande de reconnaître et favoriser l'expansion du pôle socio-économique de la sous-région II, soit la zone Rimouski-Mont Joli, en la nommant zone industrielle et urbaine prioritaire." (BAEQ 9, 1965:115)

Recommendation 22:

"Le B.A.E.Q. recommande de ne pas nommer, pour le Premier Plan, de zone industrielle et urbaine prioritaire dans sous-région III de la Gaspésie mais de consolider quelques centres de services dont l'un ou l'autre pourrait émerger comme pôle sous-régional au cours des prochaines années" (BAEQ 9, 1965:116)

Recommendation 23:

"Le B.A.E.Q. propose, en ce qui concerne le palier local, de diviser le territoire en 25 zones, dont 22 seraient polarisées par un centre de service." (BAEQ 9, 1965:116)

The study did not think it would be possible, in the short term, to transform the city of Rimouski into a regional growth pole. Instead, the study proposed a series of measures aimed at creating an urban hierarchy at the subregional level. The choice of a subregional growth pole for subregion III (Gaspé-Est, Gaspé-Ouest, and Bonaventure) was left undecided until such time as the growth trends of the various population centres became clear.

Recommendation 25:

"Le B.A.E.Q. recommande d'accélérer le mouvement actuel de concentration de la population et de l'orienter en fonction de la hiérarchie urbaine proposée." (BAEQ 9, 1965:121)

Recommendation 28:

"Le B.A.E.Q. recommande la fermeture de certaines localités marginales." (BAEQ 9, 1965:124)

In the above recommendations, the study is trying to establish cities with hinterlands. Because of the great spatial dispersion of the population, effective economies of scale could not be generated. Hence, it became difficult to establish an effective bridge between the proposed hierarchy of cities and the rural areas. The obvious way out was to empty out the rural areas. At the same time, closing down certain rural communities would rectify the "irrational" spatial structure where people were in areas with no resources to exploit.

"L'état des ressources n'indique aucune possibilité, pour ces populations, de satisfaire leurs aspirations par rapport à des critères considérés comme normaux dans une société moderne." (BAEQ 9, 1965:124)

Having defined a life style of the region, the BAEQ study, in a "top-down" technocratic manner, decides to abandon the rural areas, and transfer the population to the urban areas, where their supposed needs could be met. The study rationalizes this approach by arguing that the population is keen on leaving the rural areas for an urban life style.

"...Il a été constaté que la population de la région souhaite ardemment un mode de vie urbain et entrevoit sans aucune difficulté l'émigration vers les centres urbains régionaux de taille moyenne." (BAEQ 9, 1965:122)

This proved to be an erroneous interpretation. A National Film Board work entitled "Chez nous c'est chez nous" reveals the degree to which those who lived in the parishes targeted for closure misunderstood the ramifications of the government's programme of population relocation. Many of the residents who voted in favour of the closure later revealed that they felt that they had been betrayed, and duped by the government, in Quebec City. At local parish meetings, the residents were overwhelmed by the complexity of the arguments presented by technocratic experts in favour of relocation. Many felt that they had no choice but to vote in favour of closing down the parish of their birth. As we shall see later on, the closures of many villages was the catalyst in the chain of events that led to "Les Opérations Dignité", a popular social movement that fought to defend the right to locally oriented development ("...aménagement et non pas démenagement").

Recommendation 26:

"Le B.A.E.Q. recommande dans l'éventualité de l'exploitation de nouvelles ressources sur le territoire, d'intégrer la population nouvelle au centre de services le plus rapproché, sauf si la distance le lieu de travail et l'habitation rend impossible une telle localisation." (BAEQ 9, 1965: 122)

The above recommendation was inspired by the experience of Murdochville; a city that was built around a resource instead of making use of a labour force living in surrounding population centres. The BAEQ study adopted the position that proximity to a primary resource should no longer be the determining factor in population location, as it had been in the history of Eastern Quebec's development.

Finally, in order to cement together the proposed urban hierarchy, the region's transportation system was to be rationalized. As part of the BAEQ development strategy, transportation was seen as an industry in the service of the regional economy and not as an independent sector of production. The rationalization of the region's transportation system involved, according to the BAEQ study, the economic integration of Eastern Quebec into the provincial economy, and the intraregional economic integration of Eastern Quebec. The intra-, and interregional dimensions of transportation were seen as both a stimulant to development and a consequence of development.

The transportation system was thus seen as an important tool in the elimination of the disparities existing between Eastern Quebec and the province of Quebec. Regional imbalances could be overcome if an adequate transportation system existed that would allow the flow of commodities from the "have" regions to the "have not" regions. The movement of commodities within the framework of the capitalist market system is, after all, the essential character of transportation. This was the study's starting point on the issue of interregional transport:

"Le transport, dans son acceptation économique la plus large, peut se définir comme le passage de biens d'une région déficitaire. Ce transfert permet à des biens physiques qui ont une utilité marginale plus faible à cause précisément de leur abondance relative dans les régions à surplus, de s'apprécier, en termes d'utilité, en passant à des régions déficitaires. Cette redistribution met donc en cause un large segment de l'économie du bien-être, celui de la consommation des biens physiques. (BAEQ 9, 1965:84)

Agriculture

The BAEQ study recognized the importance of agriculture in

the daily^A economic activities of the region. A significant fraction of the population was, directly or indirectly, engaged in agricultural production. Unfortunately, agriculture did not provide farmers with an adequate standard of living. Regional agriculture was, in the eyes of the study, not in step with the agricultural modernization taking place at the provincial level.

The study envisaged modernization as; an ongoing adoption of technological advances in farm inputs^C and farm management practices, greater farm specialization in production, and a greater division of labour. Agricultural modernization was characterized by the progressive substitution of capital for labour. The study did not see any of these trends occurring in Eastern Quebec at a fast enough rate. The BAEQ study observed significant Regional-Provincial discrepancies in the rhythm of agricultural modernization.

The global variables used by the study to make the Regional-Provincial comparisons were:

- 4- farm population;
- number of farms;
- area of improved land;
- gross revenue;
- productivity.

Based on these measures, Eastern Quebec's lagging agricultural modernization, vis-à-vis the province, was characterized by:

1. a preponderance of small farms
2. lower rates of land consolidation;

3. lower revenues per acre;
4. lower capitalization per acre.

In addition to the existence of Regional-Provincial disparities in agricultural development, the study pointed out that important discrepancies existed within Eastern Quebec itself.

The BAEQ study saw the region's difficulties, as regards agricultural development as a result of the region's agricultural marginality. This marginality had four components: bio-physical, geographic, economic and social. The region had an inadequate agricultural resource base. The region had to overcome great distances to urban markets; this affected the prices of the inputs and outputs. Because of the preponderance of small farms, low levels of capitalization per acre, and inadequate management practices, commercial agriculture was not wide-spread.

Another reason why commercial agriculture could not take root in the region was, according to the study, due to the fact that agriculture represented a way of life, and not a profit-making business. Describing the predominant mode of agricultural production in the region, the study explained:

"On ne produit pas en fonction des besoins du marché, mais pour les besoins de la famille". (BAEQ 3, 1965:18)

Another obstacle to the growth of commercial agriculture in Eastern Quebec that was brought by the study was the existing symbiosis between forestry and agriculture a legacy from the past. The presence of the forestry sector provided farmers with an extra income source which only served to put off modernization by supplementing insufficient farm revenues.

"L'industrie forestière...a sans doute aussi contribué à maintenir la conception d'une agriculture plus ou moins de subsistance." (BAEQ 3, 1965:18)

From a historical perspective, this symbiosis between subsistence farming and forestry was a key element in the exploitation of the region's forests for the profit of foreign companies. More will be said on the above issues of agricultural marginality in the subsequent chapter devoted to the issue.

To overcome the above mentioned discrepancies, the study recommended the rationalization of all facets of agricultural production. Rationalization meant transforming the region's agriculture into a truly commercial endeavour that would be geographically and economically integrated into the realities of the North American capitalist market system.

The four cornerstones of the Plan's strategy for agricultural development could be summarized as follows:

1. The rational (optimal) use of the region's soil resource base;
2. The economic rationalization of farm production;
3. The sociological, and psychological transformation of the traditional farmer into the modern farmer-entrepreneur;
4. The development of downstream industries to absorb agriculture production.

The optimal use of the region's soil resource base would first require soil, and climatic studies, from which the

true agricultural vocation of the various soil-climatic regimes within the region could be ascertained. In addition, a variety of external factors would have to be considered before the land was put to optimal use: the spatial relationship between the various agricultural production areas and the various urban markets; input, and output markets; the relative population densities of the different growing areas; and finally, the needs and forces of the market.

The optimal use of the region's agricultural resource base would entail greater spatial specialization of production. To this end, the BAEQ study divided the region into agricultural zones with primary and secondary specializations. Given the region's bio-physical constraints, and the short and long-term market realities of the day, the study proposed the dairy industry as the overall agricultural vocation for Eastern Quebec. Land would then be used, primarily, to grow forage crops for the dairy herds. Furthermore, the study advocated that the region should specialize in the production of industrial milk, leaving the production of consumer milk to the central regions.

The milk used in industrial milk is identical to the higher paying consumer milk. The distinction is arbitrary and made by the dairy board. This recommendation only served, in my opinion, to reinforce the spatial inequities by relegating the peripheral regions to the less lucrative aspect of dairy production.(2)

The economic rationalization of farm production must have, according to the study, as its central premise that

agriculture - like any other economic activity - operates on the principle of profit maximization. Profit maximization demands that the region's farmers increase farm efficiency by optimizing the use of the various inputs of production. Furthermore, profit maximization implies commercial farming; which in turn means economies of scale. Even if one pushes the land to its full potential, small farms would never be profit-making operations. The BAEQ study advocated a policy that would encourage a significant drop in the number of farms and a substantial increase in land consolidation per farm. Based on an average of 120 acres of land under crop or pasture per farm, the BAEQ study set 5,700 as the maximum number of farms that the region could support in commercial agriculture given the realities of North American agriculture. In 1961 the study reported 12,000 farms in the region.

The sociological and psychological transformation of the traditional farmer into the modern farmer-entrepreneur would involve instilling the primacy of commodity oriented production and profit maximization. To achieve these ends, the study felt that one would have to alter the farmer's traditional views that had, for so long, impeded the acceptance of education and modern agriculture and which, as a consequence, had blocked the rapid acceptance of technological innovations. The traditional farmer was unreceptive to the needs of the capitalist market system. In addition to the required structural changes in agricultural pro

duction, the study recommended an extensive educational programme that would teach farmers modern management practices, prepare the farmers to better read and understand the free market properly, and to prepare the farmers for the recent technological advances in farming.

The BAEQ study saw the need to stimulate the growth of a secondary sector capable of absorbing the output from the primary agricultural sector. At the time of the study, the secondary sector was found to be incapable of supporting any growth in the primary agricultural sector. A modern secondary sector had to be created. To this end, the study recommended:

1. economies of scale in the agricultural transformation industries;
2. a greater spatial concentration of these transformation industries;
3. the transportation of agricultural commodities be upgraded;
4. the means of production of the secondary sector be technologically upgraded;
5. this sector introduce modern management practices.

The B.A.E.Q. Assesment of Eastern Quebec's Industrial Sector

Eastern Quebec's stagnating, and marginal economic existence was, in part, due to a poorly developed industrial sector. Any significant reduction in unemployment, accompanied by an increase in disposable income, could only come about by structurally transforming the industrial sector. Just as in the case of the agricultural sector, the industrial sector was incapable of sustained and dynamic growth because of the lack of modernization.

The study characterized the region's industrial sector as predominantly primary resource oriented. In 1963, 75% of employment was in the resource transformation industries. These industries only performed a partial transformation of the primary resource. These semi-finished commodities were

destined for further transformations in extra-regional downstream industries. Most of the region's industries were outward looking; as a result, there were few inter-industrial linkages within the region.

Another characteristic of the region's secondary sector was the generally small scale of the resource processing plants. In addition, these industries were spatially scattered throughout the region. This distribution was closely tied to the location of the resources. The dispersion of processing plants only re-inforced the "irrational" rank-size distribution of the region's cities.

"Le développement industriel, à cause des contraintes de localisation, a eu peu d'effet positif sur l'urbanisation. Il a plutôt conduit à la dispersion de la population en une multiplicité de centres dotés d'infrastructures urbaines forcément déficientes."
(BAEQ 6, 1965:7)

The industry by industry composition of the secondary sector reflected the nature of the region's resources: wood, fish, milk and copper. The BAEQ study observed a clear dualism within the secondary sector: the paper, and copper industries were modern capitalist operations, with a high capital component and relatively higher salaries; the sawmills, the grain mills, and the cheese, and butter factories were small cottage-type industries. The study described this situation as "...la coexistence de deux âges industriels". Most of the former industries received their capital investments from an extra-regional (provincial, national or international) parent company.

In order to eliminate the economic disparities existing between the region and the province the study recommended a strategy of industrial development, based on the following conception:

"La conception que nous avons retenue en longue période est toute en termes de structure industrielle, de polarisation, de foyers de croissance, d'effets d'entraînement, etc." (BAEQ 6, 1965:51)

Based on this narrow conception of development, the study set two principal objectives:

1. short-term: a greater rationalization of the resource transformation industries;
2. long-term: the creation of a manufacturing sector that is independent of primary resources and, composed of small to medium "foot loose" firms. The study called this the micro-industrialization of the region.

In order to achieve these objectives, the study advocated a series of policies. The study recommended a general policy of consolidation, or amalgamation, of promising industries and the closure of all marginal firms. According to the study, the small family farm was poorly suited to compete in the secondary sector market; it only handicapped regional economic growth. The need for consolidation arises from the large capital inputs needed to run a modern secondary sector. A large firm has a greater capacity to organize and support a more developed internal division of labour, thus increasing its productive capacity. Finally, the study felt that consolidation would stabilize the secondary sector labour market.

An important contention of the study was that long-term, dynamic growth would require the existence of a manufacturing sector. The existence of a manufacturing sector would also diversify the region's economy. Cognizant of the difficulties in dealing with large industrial projects, especially for a small region, the study chose to go the route of small to medium sized foot loose

manufacturing firms. These firms would be encouraged to locate in designated priority zones.

This micro-industrialization could not occur simultaneously throughout the region. Besides, in the study's eyes, economic growth required spatial polarization. Rivière-du-Loup, Rimouski and Mont Joli were chosen as priority urban zones for micro-industrialization. These two zones possessed the highest degree of urban infrastructure, and services, as well as the most developed zones of influence (hinterlands) into which growth impulses could most effectively be transmitted. The Gaspé zone was not selected because it lacked a clear city-hinterland structure. The population was scattered along the littoral. It was also felt that the above two urban zones would provide the greatest multiplier effects for a given expenditure. In short, micro-industrialization was encouraged in those areas where it was most likely to succeed.

In addition to a policy of micro-industrialization, it was felt that this new manufacturing sector should, where possible, be linked with the newly restructured secondary sector. This would create intermediate markets, within the region, for the partially transformed resources that would have ordinarily left the region to be finished elsewhere.

To carry out the above policies, the BAEQ formulated a series of regional aid programmes. These programmes were supposed to directly address themselves to three crucial regional disparities existing between the region in question and the whole of the province. The first disparity was the significant difference in the inter-sectoral structure of the economy. Eastern Quebec was resource oriented.

"...le pourcentage de la main-d'oeuvre du territoire qui se consacre à des activités primaires est plus que le double du pourcentage québécois et canadien correspondant. Le secteur primaire est gonflé, repose sur un nombre limité de ressources qui occasionnent peu d'effets d'entraînement, et génère à grandes doses un emploi de type saisonnier, responsable d'un fort volume de chômage." (BAEQ 6, 1965:56)

The second important disparity was the high incidence of unemployment.

"La statistique révèle que 35% des salariés du territoire ont connue le chômage durant au moins la moitié de l'année en 1961. Par rapport au Québec et au Canada, proportionnellement plus de gens du territoire ont travaillé moins longtemps, et moins de gens ont pu atteindre la marge sécuritaire de 40 à 52 semaines d'emploi." (BAEQ 6, 1965:56)

This disparity is due to structural unemployment; which itself is a consequence of the first disparity mentioned above.

The third disparity is in personal income. According to the BAEQ study, in 1961, the disposable personal income per capita was \$712 in Eastern Quebec and \$1,267 in Quebec. This disparity conceals an even greater disparity when one considers that a good portion of Eastern Quebec's income came from to government transfer payments.

"Le Québec ne doit aux virements sociaux que 12% de son revenu personnel, la région leur en est redevables pour près du tiers, soit 28.5%, soit \$66 millions. Si l'on ajoute à cette somme les virements sociaux attribués à des institutions et à des secteurs, on atteint près de \$100 millions." (BAEQ 6, 1965:57)

The consolidation of the primary resource related industries and the policy of micro-industrialization were aimed at rectifying the regional-provincial disparities in the inter-sectorial structure. However, in consolidating the primary resource related industries, unemployment would be

created. It was hoped that "micro-industrialization" of the region would absorb this displaced manpower and offer more stability in the labour market. Finally, the above structural changes in the economy would, according to the study, decrease regional-provincial income disparities without any increase in transfer payments.

All of this could not come about without significant government intervention in an imperfect marketplace. To guarantee employment and promote the micro-industrialization in the designated zones the study proposed a programme of employment subsidies.

"La prime proposée vise surtout la petite et moyenne entreprise de transformation de type 'foot loose' dont le bilan montre un poste de dépense important à l'item main-d'oeuvre...La prime proposée consiste à verser directement à l'entreprise, pendant une période de cinq ans, pour chaque emploi créé dans les zones industrielles prioritaires, une somme annuelle dégressive dont le montant maximum est égal au cout à l'Etat du travailleur qui chome pendant une période de six mois annuellement (assurance-chomage, assistance-chomage). Au niveau de la région, la prime proposée vise à créer dans les zones industrielles prioritaires le plus rapidement possible, une demande stable pour la main-d'oeuvre locale...." (BAEQ 6, 1965:76)

In order to reinforce the spatial polarization of the micro-industrialization a programme of urban improvement was proposed by the BAEQ. The purpose of this program was to make the priority industrial zones attractive to prospective "foot loose" industries. This program would subsidize improvements in the urban infrastructure, social and health services of Rivière-du-Loup, Rimouski, and Mont-Joli. Improvements could be in roads, public transport, water, sewage, parking, housing, education, communications and leisure facilities.

Another element in the urban improvement program was the creation of an industrial urban infrastructure.

"L'infrastructure proprement industrielle comprend principalement le plan d'urbanisme, le parc et les fonds industriels, la Commission industrielle, les services financiers et même le services techniques de consultation, ou du moins leur accès rapide." (BAEQ 6, 1965:84)

Finally, in order to promote the consolidation of the resource transformation industries throughout the region, the BAEQ study proposed a program of investment subsidies. The consolidation of these industries would entail a heavy capital investment in equipment, and other new technologies. In order to compete successfully, these industries would have to keep up with the costs of new technologies.

"Cette prime conçue comme devant stimuler le développement des industries de base...La prime étant basée sur l'investissement, devrait faciliter l'implantation d'industries mieux équipées et techniquement avancées....Enfin, parce qu'elle est une prime à l'investissement plutôt qu'une prime à l'emploi, elle devrait favoriser davantage la consolidation des entreprises dans cette partie du territoire et chez ces industries mêmes où la consolidation est particulièrement désirable." (BAEQ 6, 1965:86)

This investment subsidy program was applicable to all the region, except for those zones already designated for micro-industrialization.

The above three programmes, in themselves, would not have necessarily favoured local capitalists. Characterizing the region as "underdeveloped" the BAEQ study realized that the centralized banking system in Canada, and Quebec channeled money to low risk investment regions in Quebec, and away from the high risk underdeveloped areas like Eastern

Quebec. True sustained regional growth could only be guaranteed by the efforts of capitalists within the region. Hence, the BAEQ study proposed a special industrial fund.

"Le présent programme vise à rendre plus équitable à l'égard des entrepreneurs régionaux les normes communément employées dans les financement industriels. Il vise également à réduire la mise du capital de risque forcément plus forte dans une région sous-développée. De ce fait, au niveau de l'entreprise, ce Fonds n'est pas une solution de dernier recours, mais plutôt considéré comme du capital de déblocage destiné à susciter l'intérêt des institutions financières vis-à-vis des projets rentables, jugés utiles au développement de la région, mais dont les promoteurs, parce qu'ils court de capital ne peuvent présenter aux institutions prêteuses une situation financière équilibrée." (BAEQ 6, 1965:91)

Modernizing the Labour Force

The seventh volume of the BAEQ study, "La Valorisation de la Main-d'Oeuvre", examines the role that the workforce plays in the region's chronic unemployment and the role it plays in the region's inability to lift itself from its economically depressed state.

The study found that the nature and structure of the workforce did not serve the needs of a modern capitalist society. The predominance of the primary sector as the major source of employment, the poor educational profile of the work force, and the spatial diffusion of the work force -- with a large proportion located in the rural areas -- were remnants of another economic era which were impeding the region's economic development.

In order to facilitate the quantitative, and qualitative changes in the sectoral, and spatial allocation of the region's labour force, the study sought to promote the horizontal and vertical mobility of the workforce. In my

opinion, the important themes underlying the modernization of the labour force are:

- greater sectoral mobility within the labour force;
- greater spatial mobility in the workers' quest for work.

The stress on mobility stems from the BAEQ's conception of economic development and modernization. The modernization process advocated for the region reflected the importance set by the BAEQ study on three historical trends that have characterized the economic development of industrialized nations:

1. The evolution of the centre of economic activity; from primary to secondary and manufacturing and then, to tertiary activities;
2. The growing ratio of Capital/Labour in economic growth;
3. The Rural-To-Urban migration and the urbanization of the workforce.

The consolidation of the resource transformation industries would streamline them, introduce economies of scale, and make them competitive. As a result this sector would be rendered more dynamic and capable of sustained growth. This consolidation would also increase the average length of employment for the workers in this sector. However, in the short run, the study realized that consolidation would contribute to the region's high unemployment.

The BAEQ study believed that a sizable portion of the displaced workers would find employment in the new industries resulting from micro-industrialization. This would not happen if the workers were not willing to adapt

themselves to changing market conditions, and to switch employment. The new employment possibilities would demand new skills. To facilitate this manpower transfer, the BAEQ study proposed ~~a~~ a series of recommendations aimed at improving the general educational level of the region's work force, as well as retraining workers to meet the new occupational needs of industry. The mobility that we have been discussing up until now has two components: intra-industrial and inter-industrial.

Intersectoral mobility will not, in itself, be a sufficient adaptation of manpower to the realities of an ever changing market. The BAEQ study realized that not only must labour be willing to move from one skill to another but it must also be willing move to where it is needed. Besides the occupational aspect, there is a spatial aspect to the supply and demand requirements of the labour market. In the study's conception of development, manpower must be used where it will be most efficient; where the notion of efficiency is governed by the dynamics of growth in a capitalist political economy.

One can discern two important aspects in the BAEQ's formulation of geographic mobility:

1. Intra-regional population movements;
2. Extra-regional population movements.

The intra-regional aspect of geographic mobility concerns the rural to urban transformation of economic activity envisaged for the region. With increased consolidation in forestry, fisheries, and agriculture, there would be growing rural unemployment. It was this population that would meet

the needs of the proposed urban industries. In addition, with micro-industrialization and the consolidation of the resource transformation industries, a hierarchy of cities in the region, was being encouraged by the BAEQ. Hence, if these structural changes in the economy were to succeed, then the intra-regional movement of labour would have to reinforce the study's proposed urban hierarchy.

Extra-regional labour movements were advocated by the study to alleviate the condition of high unemployment in the region as a whole. Even with the proposed structural changes in the economy, and the growth of an urban hierarchy the region could not, in the study's estimation, support its current labour force. In addition, the region's high rate of natural increase would have to be compensated by a high rate of emigration.

The study recommended that the large emigration typifying the region, would have to continue if unemployment was to be kept down. The study estimated that an emigration of 82,000, over the period 1961-1971, would be needed to reduce the region's high unemployment rate to a tolerable level. Looked at from a higher spatial scale, the extra-regional movement of the region's labour force represents a rural to urban adjustment at the provincial level.

CHAPTER TWO

THE "OPDQ" STUDY

Thirteen years after the publication of the BAEQ study, the OPDQ published another detailed analysis on the economic development of Eastern Quebec. In many respects this second study bares a striking resemblance to the BAEQ study: it displays the same observations regarding the region's spatial and economic organization, and similar concerns about the region's socio-economic well being. There is, however, an important divergence in the OPDQ's conception of the development process:

"Cette nouvelle façon de voir devra être basée sur l'autodéveloppement de la région. Ce processus pourra se réaliser d'une part, par la décentralisation des pouvoirs et d'autre part, par l'implication des citoyens dans la prise en main du développement de la région. ...La décentralisation et l'implication de la population sont donc les deux bases d'une nouvelle philosophie de développement pour la région. Dans cette optique le développement devrait se faire par les forces vives du milieu et non par des interventions exclusives de l'extérieur ou des gouvernements." (OPDQ 1, 1978:38-40)

"Modernization", "the rationalization of space, and production", "the integration of the spatial economy", and "economies of scale", all key words in the BAEQ study, had now taken a back seat to "l'autodéveloppement". The call for a locally oriented development strategy was in no way a renunciation of capitalism. Instead it was a reaction to the abuse of power by central governments, and not an attack on the international capitalist market system.

"D'autres critiques sont souvent formulées sur la grande dépendance des régions et de la population envers l'Etat, ainsi que sur la déshumanisation des rapports entre les citoyens et les services gouvernementaux." (OPDQ 1, 1978:38)

The OPDQ was advocating a spatial division of planning powers; regional control over regional development and provincial control over interregional economic integration;

"...Le gouvernement s'occupera du développement de l'ensemble du Québec et de la répartition des activités entre les régions mieux pourvues et celles qui le sont moins. Il pourra également faciliter l'intégration des sociétés d'Etat et compagnies nationales et multinationales aux régions." (OPDQ 1, 1978:39)

The question of how local needs would be reconciled with provincial, national, or even international needs within the "chaos" of the capitalist market system is never raised in the OPDQ study, let alone answered.

We believe that the study's pursuit of an equitable, locally oriented development within the capitalist mode of production has some fundamental theoretical pitfalls. In the second half of this thesis we will return to these theoretical questions.

Returning to the similarities in the two studies, we find that both studies exhibited the same concern over Eastern Quebec's high unemployment vis-à-vis other regions in Quebec. From 1961 to 1976 the rate of unemployment in Eastern Quebec went from 8.3% to 16.0% in 1971 then to 22.2% in 1976. The OPDQ estimated that unemployment would reach 28% in 1986.

The OPDQ study singled out unemployment as the single most important challenge facing the region's planners.

"...Pour la région, le but majeur à court termes de tout effort de développement régional est la création d'emplois. Le problème de l'emploi est si aigu que son influence est souvent déterminante pour la vie socio-économique de la région." (OPDQ 1, 1978:41)

High chronic unemployment was sapping the region of its dynamism. The higher rate of unemployment in the rural areas was responsible for the significant rural to urban migration. The urban destination of this migration, was most often extra-territorial. The region's urban hierarchy could not absorb the rural surplus labour.

This extensive migration was also selective; the younger and more dynamic portions of the population emigrated leaving behind the older and less educated. Because of this selective migration, many of the rural social services had become under-utilized. Trying to maintain spatially dispersed social services to an ever declining population became impossible. As an alternative, these services were being spatially concentrated. This made the rural areas even less attractive. Following the pattern of Myrdal's theory of circular causation, the decline in the spatial availability of the social services further marginalized the rural areas. This fact, coupled with the inability of the cities to absorb the displaced rural population further marginalized the entire region.

This selective aspect of migration was never raised when the BAEQ study recommended an emigration of 82,000 people between 1961 and 1971.

From the time of the appearance of the BAEQ study to the publication of the OPDQ report, very little had occurred to alter Eastern Quebec's marginal status. Not only was unemployment growing, but it remained far in excess of the provincial rate:

TABLE 2.1

	<u>RATE OF UNEMPLOYMENT</u> (OPDQ 2, 1978)	
	1961	1971
REGION	8.3%	16.0%
PROVINCE	4.4%	10.0%

Similarly, the personal income per capita in Eastern Quebec, though it had increased from 1961 to 1971, still remained below the provincial level. Of all the regions, Eastern Quebec displayed the lowest levels of personal per capita income in 1961, and in 1971.

Though the regional-provincial discrepancy in personal income per capita had decreased from 45% in 1961 to 34% in 1971, this decrease did not reflect any significant change in Eastern Quebec's socio-economic marginality. In the BAEQ study, it was brought out that a good deal of Eastern Quebec's personal income was in the form of transfer payments. The BAEQ study saw this as an important structural weakness in the region's economy.

Thirteen years later, in the OPDQ study, we find the same dependence on transfer payments:

"Les paiements de transfert perçus dans la région occupent une place très importante de son revenu personnel." (OPDQ 2, 1978:41)

In fact, the percentage of personal income represented by transfer payments went up slightly from 21% in 1961 to 22% in 1971. Eastern Quebec continued to be one of the regions most dependent on transfer payments. In addition, the regional-provincial disparity in the importance of transfer payments went down only slightly, and still remained quite high:

TABLE 2.2

% OF PERSONAL INCOME DUE TO TRANSFER PAYMENTS

(OPDQ 2, 1978)

	1961	1971
REGION	21.0%	22.0%
PROVINCE	10.4%	13.0%

Eastern Quebec had not overcome its inability to generate sufficient personal income from internal economic growth. Transfer payments, as an expression of marginality, reveal that Eastern Quebec is spatially peripheral to a space (Quebec) which is itself considered peripheral by many.

In 1966, the BAEQ study had underlined the lack of congruence between the sectoral structure of the regional economy, and the sectoral structure of the provincial economy. The regional economy was predominantly resource oriented. The secondary sector revolved around the region's primary resource production. The secondary sector performed a minimum of transformation on the primary resources, leaving most of the downstream transformation to extra-regional urban centres.

There was little, if any, manufacturing activity independent of primary resources. The elimination of this regional-provincial disparity in economic structure was an important component of the BAEQ development strategy.

In the OPDQ report, we discover that the sectoral structure of the region's productive activities still remained primary resource oriented. In 1971, agriculture, forestry, fishing and mining accounted for 17.5% of the active work force, and 13.2% of the gross regional product, while for Quebec these percentages were 5.6% and 6.2% respectively. In the secondary sector, we find resource transformation activities accounted for 75% of employment. This facet of the secondary sector had not changed since the BAEQ study.

The OPDQ report maintained that resource exploitation would remain a strategic element in the region's economic development.

"Par sa situation géographique, l'économie de la région a toujours été basée sur l'exploitation de ses ressources naturelles. La Forêt, l'agriculture, la pêche, les mines et le tourisme sont ses principaux atouts et devraient l'être." (OPDQ 1, 1978:6)

Despite the continued importance of resource related industries in the region's development, there had been important structural changes within each sector, and within the overall sectoral composition of the economy.

The process of consolidation, advocated in the BAEQ study, went a long way in reducing the active workforce engaged in the primary sector. The number of people engaged in farming declined by 53% from 1961 to 1971. In forestry and fishing, the declines, for the same period, were 57% and 24% respectively.

From 12,000 farms in 1961, the region moved to 7,066 farms in 1971. This substantial consolidation of farmland still did not reach the optimum figure of 5,700. This consolidation was accompanied by an increasing

specialization in dairy production. This increasing specialization worried the authors of the OPDQ report. For the first time, we read about regional self-sufficiency in food production.

"Cette évolution a engendré des avantages économiques et sociaux évidents pour les producteurs et pour la région. Elle génère aussi des aspects négatifs que l'on ne peut ignorer, surtout en regard des objectifs d'autosuffisance alimentaire et d'utilisation optimale de la ressource agricole.... Cette évolution vers une plus grande spécialisation de la production du lait conduit vers une diminution du degré d'auto-provisionnement dans les oeufs, le porc, la volaille, les légumes, les fruits... Comme autre effet, la spécialisation dans le lait augmente la dépendance de la ferme vis-à-vis de l'extérieur pour les intrants à la production et les denrées de consommation de ménage... L'agriculture régionale devient plus vulnérable dans une situation de mono-production. Elle l'est encore plus si le lait est en surproduction." (OPDQ 3, 1978:52-53)

As we shall see in a subsequent chapter devoted to agriculture the policy of land consolidation in agriculture did not overcome the various regional-provincial disparities concerning agriculture production.

Within the primary sector, there was an important shift in the relative importance of the various industries. Agriculture's contribution to the gross regional product declined by 50% while forestry's contribution increased by 35%. Forestry now accounted for 3.8% of the total gross regional product as opposed to agriculture's 1.8%. Where the BAEQ report put special emphasis on agriculture, the OPDQ study saw forestry as the key industry.

"La forêt est le principal moteur économique de la région et, génère de plus en plus d'activités au niveau secondaire." (OPDQ 1, 1978:52)

After the appearance of the BAEQ report, the secondary sector underwent considerable consolidation: the number of establishments decreased from 464 in 1966 to 361 in 1973. In addition to consolidation, employment in the secondary sector went up 21% from 1966 to 1973. The growth of the secondary sector, though significant, conceals important weaknesses. On the one hand the OPDQ report claims:

"De façon générale, le secteur manufacturier de l'Est du Québec a connu, entre 1964 et 1971, des taux de croissance généralement plus élevés que dans les autres régions. On y est bon premier pour les taux de croissance de la masse salariale de la valeur ajoutée et des expéditions. Le région est deuxième pour l'accroissement du nombre de travailleurs," (OPDQ 3, 1978:117)

and on the other hand we read:

"En 1971, dans l'ensemble, le secteur manufacturier demeurait l'un des moins énciables sinon le moins enviable du Québec." (OPDQ 3, 1978:131)

Being rooted in resource exploitation, the region's secondary sector was not well diversified. In 1975, we find the food and drink industries (fish, and milk processing), wood, and the pulp and paper industries accounted for 86% of all employment in the secondary sector.

In 1971, the average salary in the secondary sector in Eastern Québec was the lowest in Québec. The region displayed the lowest value added per worker, and one of the lowest rates of value added to costs. Excluding the unemployed, the active workforce in the secondary sector was 7.0%, the lowest in Québec.

In terms of employment, the small to medium enterprise was still the predominant element in the manufacturing sector: ⁽¹⁾

TABLE 2.3

	1966	1975
Less than 5 employees	35%	3%
From 5 to 49 employees	51%	30%
From 50 to 199 employees	11%	37%
200 employees or more	3%	30%

(OPDQ 2, 1978)

The small to medium sized companies (defined by the OPDQ as 199 employees or less) had shown the highest growth rates in the region. Despite the enormous efforts to consolidate the region's secondary sector, the average manufacturing firm in Eastern Quebec still remained far smaller than the average provincial firm:

TABLE 2.4

AVERAGE NUMBER OF EMPLOYEES PER FIRM

	1966	1975
REGION	.15	25
PROVINCE	47	54

Adopting a position resembling that in the BAEQ study, the OPDQ report argued for the importance of "footloose" firms and local entrepreneurs, within the secondary sector, in Eastern Quebec's development:

"Sans négliger l'apport des grandes entreprises extérieures, notamment dans le domaine des pâtes et papier, il semble bien que le développement manufacturier de l'Est du Québec doit se faire principalement par l'action des gens (local entrepreneurs) de la région." (OPDQ 3, 1978:93)

Citing several examples, the report argued that the capitalist enterprise was capable of meeting this challenge. However, as we saw earlier, the OPDQ report viewed the region's dependence on primary resources as an asset in an interregional system of comparative advantage. As a consequence, the report seemed resigned to accept the same orientation in the secondary sector:

"Compte tenu de la situation de l'emploi, l'implantation d'entreprises peu reliées aux ressources régionales est certes souhaitable mais ce type de développement est défavorisé par l'augmentation des salaires et des coûts de transport. Dans l'ensemble, vu l'éloignement des grands centres de consommation, l'activité manufacturière demeurera fortement axée sur la transformation des ressources." (OPDQ 3, 1978:93)

URBAN SPACE, RURAL SPACE AND ECONOMIC DEVELOPMENT

Like its predecessor, the OPDQ report reveals the same pre-occupation with urban structure and economic development. Both studies started from the same theoretical premise: economic development requires a well structured regional urban system that is hierarchical. This "dendritic" spatial structure would link the region's primary growth pole with the lowest order population centres. The dendritic system would best polarize the region and allow for the efficient downward transmission of growth impulses from the higher order urban centres to the hinterland.

In 1965, the BAEQ report had underlined the poor urban structure of the region. In 1979, the OPDQ report indicated similar concerns:

"Le seul véritable axe économique est celui de Rivière-du-Loup/Rimouski/Matane. Cependant, l'absence de véritables pôles de croissance autonomes implique que les centres urbains dans leur ensemble rayonnent, entraînent, et structurent peu le territoire régional.

Le capital, Rimouski, ne peut, comme le fait Chicoutimi ou Sherbrooke, jouer un rôle moteur dans la région et face au reste du Québec. Il y a donc absence de liaisons, les centres étant peu intégrés et peu complémentaires." (OPDQ 3, 1978:146)

However, unlike the BAEQ study which advocated rapid urbanization with little thought given to the negative impact that this rural to urban migration would have on rural life, the OPDQ report was cognizant of the dangers of rapid urbanization. The OPDQ realized that the rural world was being drained of its dynamism. The report labelled the rural world as "un monde en destructuration".

"La destructuration de l'espace rural se manifeste d'abord au niveau de la diminution de la population qui se traduit par une diminution dans la densité du peuplement et le vidage de certaines parties du territoire... Cette hémorragie démographique entraîne inévitablement une perte du dynamisme local. Cette perte de population est également sélective dans le sens qu'elle frappe plus durement certaines zones du territoire; soit celles qui éprouvent le plus de difficulté à s'adapter aux exigences de production actuelles." (OPDQ 3, 1978:52)

The report sought to develop a true regional urban hierarchy without, at the same time, destroying a rural way of life. It advocated a type of regional planning that would create a viable rural alternative to urban life.

"Concernant l'aménagement du territoire, l'action devrait viser à établir une formule de viabilité de l'espace rural qui tienne compte de l'arrière-pays, tout en continuant de consolider les centres urbains par la répartition des fonctions et des services spécialisés." (OPDQ 1, 1978:74)

The BAEQ study saw the rural environment as the preserve of a traditional way of life. It was this traditional mentality that had blocked modernization. Without modernization, economic development, i.e. sustained economic

growth, would never come to be. Urban life was synonymous with modernization, progress, and economic growth. Hence, the BAEQ study proposed a rationalization of rural related activities: consolidation, and specialization of production. This would, of course, displace a great many rural workers. The report had envisaged an absorption of this surplus population by the region's urban system. To this end, the BAEQ report, as we saw in the previous chapter, had proposed the micro-industrialization of the region's major urban centres, and a concentration of the resource transformation industries.

As a safety valve, the study had further recommended that rural workers be encouraged to emigrate to other provincial urban centres. It will be remembered that the study recommended an out-migration of 82,000 people over 15 years in order to guarantee an adequate level of employment within the region.

By 1979, it became apparent that this kind of strategy, in its original form, would not work. The region's urban system was not able to absorb the flow of rural workers. From 1961 to 1976, the rate of urbanization remained low. In 1961, the fifteen most important urban centres accounted for 35% of the regional population. In 1971, these same centres accounted for 40%, and in 1976 43%. Eastern Quebec remained the least urbanized region in Quebec.

Eastern Quebec's urban system was unable to absorb the surplus labour from the hinterland because the industrial structure of this system had not sufficiently developed. The economic structure of the region's 15 major urban centres underwent some important changes: their share of the region's active work force went up 24.6% from 1961 to 1971:

from 1961 to 1971, primary sector employment in the 15 major urban centres declined by 45% while employment in the secondary sector increased by 25% (an increase of 1,760 jobs). Employment in the secondary sector is deceiving because the share of regional employment in the secondary sector found in the 15 urban centres only went up to 19.8% in 1971 from 19.7% in 1961.

The growth of the secondary sector in these urban centres was not sufficient to keep up with the growth of excess labour in the rural areas. "Micro-industrialization", as a strategy, remained ineffective because the region's secondary activities continued to be rooted in resource transformation industries.

What characterized urban development in the region was the structural transformation from economic domination based on secondary activities to domination based on tertiary activities. This transformation, most pronounced in the larger urban centres, only served to reinforce their position of dominance over the smaller urban centres. The smaller centres did not have the population concentrations to support a high growth in the tertiary sector. The smaller urban centres, however, showed more growth in the secondary sector. This growth was, very often, tied to one industry:-

"...plus les centres ont une petite taille, plus il est possible que le secteur secondaire occupe une place significative dans la structure d'emploi du centre en question. Toutefois, l'importance du secteur secondaire dans plusieurs agglomérations (de toutes tailles) ne tient souvent qu'à un seul gros employeur, comme une usine de pâtes et papier." (OPDQ 4, 1978:23)

These small urban centres could not expand their manufacturing industries to accommodate the rural migrant and the large centres were becoming the centres of tertiary activity.

The OPDQ report ties urban growth with increased tertiary activity:

"Il importe maintenant de mettre en évidence l'importance de la part relative du tertiaire en regard du total de la population active. A l'exception de Gaspé avec 69% de ses emplois affectés au tertiaire, les quatre autres centres de plus de 10,000 habitants, ainsi que les agglomération de la Pocatière et d'Amqui, indiquent en 1971 que plus de 70% de leurs emplois se concentrent dans ce secteur. En 1961, seulement deux centres, soit Rivière-du-Loup et Rimouski, regroupaient plus de 70% de leurs emplois actifs dans le tertiaire: nous sommes en présence d'une accentuation de 'la tertiariation' pour les principales agglomérations," (OPDQ 4, 1978:25)

As we shall see in the second half of this thesis, the rise of the importance of the tertiary sector, in the evolution of capitalism, is tied to the rise of unproductive consumption and the crisis of underconsumption. In the case of Eastern Québec, it is interesting to note that in the face of chronic unemployment, a low standard of living, and poor productivity there has still been a rise of unproductive consumption in the urban centres. Was the rise of the tertiary sector, and the associated unproductive consumption, fed by continuing high government transfer payments?

The OPDQ's concern over the viability of the rural areas was due, in my opinion, to a conjuncture of social, political, economic and spatial forces. At the regional spatial level, the urban system had been unable to create employment fast enough to accomodate the displaced rural surplus labour.

Hence, at the regional level, the paradigm of rural to urban migration in capitalist development had encountered some obstacles. At the provincial level, cities like Montreal could no longer serve as repositories for the rural unemployed because of the spatial extent of the current economic crisis. In the past, the region's rural surplus labour had sought work in Quebec's major cities and in the New England states⁽²⁾. The OPDQ study found that these higher spatial scales were now closed to rural-to-urban migrations. Finally, there arose in Eastern Quebec a popular social movement with a growing regional consciousness, a "sense of place", and, as a consequence, there was a growing reluctance to accept the notions of "spatial mobility" and extra-regional migration as givens in Eastern Quebec's development.

The population distribution in Eastern Quebec, along with the region's city-size distribution continued to perplex regional planners. In 1976, 57% of the region's population lived in villages of less than 3,000 inhabitants⁽³⁾. Compared to 20% at the provincial level, this is extremely high. In fact, in 1977, 43% of the region's population lived in villages of less than 2,000 inhabitants. These small villages were scattered in an almost uniform, and linear manner along the entire coast, and along the Temiscouata, and Metapédia valleys.

Even the region's urban system was scattered along the littoral. A variety of factors were put forth in the OPDQ report to explain this regional peculiarity in population distribution, and they all echoed those given in the BAEQ report:

1. The region's physiographic constraints - easily accessible littoral, and valley areas with relatively inaccessible interior. Because of these physiographic constraints, intercity linkages within the urban system tended to be one-dimensional along the major roads and not two-dimensional through the interior.
2. The region's continued dependence on natural resources (in the primary, and secondary sectors) for its productive activities was responsible for the location of productive activities in proximity to resources. This had given rise to many small towns stretched across the entire region.

The region's urban system was not centered on any one urban centre. There was no spatial polarization over the entire region emanating from a single regional growth pole. However, the OPDQ report did speak about sub-regional polarization. The report describes three sub-regional urban systems:

1. The Rimouski-Matane axis was the most important, and it was predominantly tertiary in nature. Its secondary sector was more diversified and less oriented to resource transformation. It was centrally located along the St. Lawrence littoral and it polarized the Matapedia valley. Rimouski, Mont-Joli and Matane accounted for 42% of the region's urban system employment.
2. The Rivière-du-Loup system which polarized Saint Pascal, Trois Pistols and Cabano.

3. The Gaspé system - this system was stretched out in space and as such there was no significant concentration of activities and services. The Gaspé-Chandler-Paspébiac axis was rooted in resource transformation. This axis had no city-hinterland relationship to the population scattered along the littoral.

Beyond these sub-regional urban systems, many of the region's small urban centres and villages remain fairly autonomous in their pursuit of resource transformation economic activities.

Even though there was no regional urban hierarchy centered on one growth pole, the region did possess other functional hierarchies. The growth of the tertiary sector reinforced the region's urban structure. It is within the tertiary sector that we find a regional hierarchy. The exact nature of the hierarchy varies, depending on whether one considers the public or private aspects of the tertiary sector. A hierarchical structure based on the tertiary sector no longer reflects the growth dynamics contained in growth pole theory - the hierarchical diffusion of growth impulses.

The OPDQ report saw the importance of urbanization for the region's future development:

"L'urbanisation de la population, en plus de modifier les mentalités, entraînera une augmentation des normes, des lois, et des règlements.. La généralisation du style de vie de la classe moyenne s'accompagnera d'une hausse des revenus et de la baisse du nombre d'heures de travail par semaine. La population continuera de revendiquer un rattrapage des conditions de vie face à l'ensemble du Québec. Les changements de mentalité se feront aussi sentir en milieu rural où la population réclamera l'obtention des mêmes services et avantages qu'en milieu urbain." (OPDQ 1, 1978:23).

From this quotation, we can surmise that the OPDQ felt that urban development would spur on rural development through greater social and political awareness. We can further infer from the report that there was no inherent antagonism between rural space and urban space, nor any conflict between the needs of these two worlds. Within capitalism (which is the system underlying the OPDQ conception of economic growth) urban and rural development could take place together and harmoniously.

The OPDQ report argued that regional planning prior to the report had not been rooted in the needs of the region's population. Neither was much attention given to the aspirations of the region's predominantly rural population. As a consequence, rural space was being drained of its life blood. In the concluding chapter of the volume entitled "L'espace rural de l'Est du Québec", in the OPDQ report, we find the following summary of the negative impacts of past development priorities on rural life:

1. The region's bio-physical limitations coupled with the necessity to increase productivity in an increasingly competitive market radically altered certain aspects of production;

- the consolidation of primary production had significantly reduced the number of farmers and forestry workers;

- a considerable drop in the number of farms accompanied by an increase in the average farm size;

- the evolution from traditional farming to commercial farming.

2. The growth of the urban system and the relative saturation of primary activities in the rural areas led to selective migration. This selective migration was robbing the rural areas of their local dynamism.
3. Rural unemployment remained higher than the regional average.
4. The average income per household was much lower in the rural areas than in the urban system.
5. The cost effectiveness and profitability of many services were becoming precariously low.
6. Services were being spatially concentrated in and around a limited number of urban centres.

THE OPDQ STRATEGY FOR DEVELOPMENT

The strategy contained in the OPDQ report was nowhere near as comprehensive as the BAEQ strategy. The OPDQ strategy is contained in one thin volume entitled "Orientations de développement de l'Est du Québec". Rather than a detailed strategy, the OPDQ plan is more of a policy statement on the goals, directions and socio-political framework for the region's future development.

As we stated earlier, the major goal set by the OPDQ was the creation of a healthy, regional labour market. This was also the espoused view of the BAEQ study.

Initially, the BAEQ study raised many hopes in the region for a brighter future. The BAEQ study did involve popular consultation. This consultation, however, was rather one-sided; government experts meeting with a naive population. This was the case when Quebec government experts met with the residents of marginal villages and convinced the population to vote in favour of closing the marginal parishes.

The hopes raised by the BAEQ study went unrealized. The population felt betrayed. Sacrifices were made with little to show. As a reaction to the BAEQ's call for greater spatial mobility (continued extra-regional migration) there arose a slogan, "On ne déménage pas, on doit aménager". With the participation of the church, a new social movement arose in Eastern Quebec; "Les Opérations Dignité". The manifesto of the "19 curés en colère" reveals the growing frustration with traditional regional planning:

"A-t-on le droit alors de laisser le spectre du désespoir brimer continuellement notre population? A-t-on le droit de tolérer une action gouvernementale, plus soucieuse du rendement et de la froide efficacité (électorale peut-être...) que du respect des personnes et de leur dignité?

Comme chrétiens, etc à titre de pasteurs d'une population qui se sent brimée, de citoyens démunis, las d'être les enfants pauvres de l'économie québécoise, nous n'avons plus le loisir de ne pas appuyer leurs justes revendications: vivre l'Evangile aujourd'hui, et l'annoncer comme une force qui libère (n'est-ce pas là que se situe notre action?) nous amènent aussi à chercher de nouveaux modes pour le vivre.../

Si nous sommes solidaires avec nos chrétiens et il est temps d'éliminer de notre comportement la peur, qui est contraire à l'esprit du christianisme, et de nous atteler résolument à la tâche, pour lutter contre toutes forces de contraintes qui avilissent la population: chômage, pauvreté sous toutes formes, service social aveugle, aide sociale gênante, etc." (Gagnon, 1981a:223).

The new social movement was a protest against inhuman centralized bureaucracy in regional planning and a cry for human dignity (which government transfer payments, welfare, and unemployment insurance payments had undermined), and a call for the control of one's own destiny. The OPDQ report was strongly influenced by this social movement.

The starting point of the OPDQ strategy resembles a "Bottom-Up" type of development based on the region's natural assets. The OPDQ strategy insisted on two fundamental pre-conditions in its development plan:

1. The decentralization of power:

"Etant donné qu'il faut tenir compte des conditions propres à chacune des régions, il est nécessaire que les pouvoirs de développement et d'aménagement se retrouvent au niveau de la région. Cette décentralisation devrait permettre une humanisation des rapports entre le citoyen et l'Etat." (OPDQ 1, 1978:23)

2. Popular Involvement:

"Pour que la décentralisation apporte des résultats, l'implication de la population est une condition de base essentielle. L'initiative du développement doit venir en bonne partie du citoyen et faire appel à son sens de la responsabilité." (OPDQ 1, 1978:39)

Based on these two pre-conditions, the OPDQ "Bottom-Up" development strategy revolved around four components:

1. economic development;
2. spatial planning;
3. socio-economic development;
4. development institutions.

The economic development of the strategy entailed increasing production through the consolidation of the existing pillars of the region's economy, i.e. its natural resources and related activities. The strategy also called for increased marketing of the region's resources as well as developing the region's full potential, i.e. identify underutilized resources. Finally, the economic aspect of the strategy called for the development of a labour force that could meet regional needs.

Just as in the BAEQ plan, the OPDQ report argued for the importance of the dairy industry in agricultural production. The OPDQ study also argued for the transfer of industrial milk production from the Montreal area to Eastern Quebec. To avoid the uneven spatial concentration of milk quotas the plan argued for a greater spatial dispersion of quotas.

To help strengthen the region's economic pillars, i.e. natural resources, the report calls for mechanisms to stabilize the price of these natural resources against drastic drops in the market. Some propositions put forward were:

1. "Création par les producteurs d'une caisse de stabilisation des revenus, par exemple, dans les domaines de sciage..." (OPDQ 1, 1978:60)
2. "Participation d'agents régionaux au sein d'organismes de fixation des prix." (OPDQ 1, 1978:61)
3. "Plan de stabilisation du revenue basé sur la productivité et l'efficacité de l'exploitant ou du travailleur." (OPDQ 1, 1978:61)

4. "Formation d'organismes de mise en marché". (OPDQ 1, 1978:61)

The OPDQ report never elaborated on these proposals. But it felt certain that such measures would stabilize the regional economy, lower unemployment, reduce emigration, instill confidence in the producers, stabilize the supply and demand mechanisms of the market, and assure a continuation of the rural way of life.

The spatial component of the OPDQ strategy can be summarized by the following key points listed in thereport:

1. "Etablir une formule de viabilité de l'espace rural qui tienne compte de l'arrière-pays, en recherchant un consensus auprès des intervenants concernés, autour de nouveaux éléments d'orientation et en fixant par la suite des priorités d'intervention." (OPDQ 1, 1978:48)
2. "Consolider les centres urbains par une répartition des fonctions et des services spécialisés, en densifiant les centres urbains par une contrôle de leur expansion tout en préconisant l'industrialisation des principaux centres de la région et une meilleure répartition des fonctions urbaines." (OPDQ 1, 1978:48)
3. "Favoriser le décroissement de la région par une aménagement des moyens de transport et de communication, en améliorant les relations internes tout en ouvrant davantage la région sur l'extérieur." (OPDQ 1, 1978:48)

The report was calling for a more intensive exploitation of Eastern Quebec's resources (forestry, agriculture, fishing, mining, and tourism). Making use of such terms as comparative advantage, the report argued for a greater spatial division of production within the region. This division would be determined to a great extent by the spatial distribution of various resources. In the marginal areas, where there was no dominant resource, or where one

resource would provide only seasonal work, the report argued for multiple land use.

For the first time in a government report, we read in the OPDQ report that the region's scattered population distribution is actually an asset in the region's development:

"L'éparpillement de la population avantage l'exploitation des ressources car elle permet de disposer d'une main-d'oeuvre abondante sur place."
(OPDQ 1, 1978:34)

Speak about historical irony!

CHAPTER THREE

There are many avenues to pursue in analyzing the roles of the BAEQ and OPDQ studies in the historical process of Eastern Quebec's economic development. One could analyze, point by point, the internal consistency, and analytical accuracy of the arguments presented in the two studies; did the arguments presented conform to the accepted paradigms of capitalist sociological, economic, political and geographic thought of the day? One could also analyze the administrative and political relationship that existed between the BAEQ and other federal, and provincial economic development planning bodies. The BAEQ was the result of a fusion of two regional, non-profit organizations - "Le conseil d'orientation régional d'expansion St-Laurent (C.O.E.B.)" and "Le conseil régional d'expansion économique de la Gaspésie et des Iles-de-la-Madeleine (C.R.E.E.G.I.M.)" in 1963. The BAEQ had the blessing of Jean Lesage, and it was administered by the Ministry of Agriculture and Colonization, under the umbrella of the ARDA bill passed in 1961. One could analyze the jurisdictional disputes over the control of the regional planning process, between the federal, and provincial governments, and their impact on the execution of the BAEQ proposals. This approach would entail an analysis of the federal, and provincial governments' geopolitical perception of Eastern Quebec: a territory within the Canadian national economy, or a territory within the Quebec national economy. Along similar lines, one could examine the political will of the various levels of government to execute the various recommendations of the BAEQ study. Then there is the very important question of the role of the BAEQ plan in the rise of "Les Opérations Dignité", and the role of the latter in the formulation of the OPDQ strategy. Finally, one could pursue another line

of investigation by inquiring into the population's perception, and understanding of the two plans.

These are all acceptable, and interesting avenues of study. I, however, would like to examine the ideological underpinnings of the two studies. What is at issue here is not whether this or that plan had, or had not, provided a conceptually accurate response to Eastern Quebec's regional difficulties but rather, whether any long term capitalist solution could be found to the problem of uneven spatial development.

In addition to the issue of uneven spatial growth, the popular movement "Les Opérations Dignité" raised the issue of locally based development, and the deeper issue of alienation. We will argue, in the subsequent chapter, that because the OPDQ study is rooted in capitalist ideology, the strategy of "L'auto-développement" will never be able to resolve the problem of regional alienation. Within the marxist perspective, alienation is an endogenous phenomenon to capitalism.

The aim of this chapter then becomes one of establishing the capitalist ideological underpinnings of the two plans. In this exposition, we will confine ourselves to those themes of capitalist economic geography which we feel were axiomatic in both studies.

Development, Economic Growth and Modernization

Much of the debate over the meaning of development has been centred on the "Third World"⁽¹⁾. Within this context, the process of development is intended to describe the process of nation building within former colonies. Part of nation

building. was the emulation of the industrialized world's prosperity. The mythology of capitalism had it that all nations started out poor, but after embarking on the path of capitalist development, prosperity resulted. Representative of this view is Rostow's (Rostow, 1960) "stages of economic growth" model. In this model, there is a sequence of stages (linearly related in a cause and effect manner) leading to prosperity: 1) traditional society; 2) pre-conditions for take-off; 3) take-off; 4) drive to maturity; 5) high-mass consumption. The entire model hinges on the notion of take-off. Rostow's work played an important role in the development thinking of the 1960's. Given the proposals in the BAEQ report, we can say that the study was influenced in an important way by the ideas contained in Rostow's work.

The reality of the Third World tells us that all nations are not converging on a common prosperity. Convinced of the universality of the historical transformation that the industrialized West had undergone, and faced with the sad facts of continued underdevelopment in the world, capitalist development thinkers became convinced that some sort of blockages were impeding the poor nations' natural (capitalist) economic development. In describing this point of view Slater writes:

"Failure on the part of the underdeveloped societies to adopt and integrate such diffuse elements of modernization leads to the identification of so-called 'barriers' and 'obstacles' to the efficient transformation of a traditional society into a modern society." (Slater, 1974:335)

Though development studies have been Third World oriented, the subject also permeates regional planning within the industrialized nations. This has certainly been the case in Quebec, particularly in Eastern Quebec. The BAEQ's insistence on the theme of "rationalization" represented an

attempt to eliminate the "obstacles" blocking modernization, take-off and sustained growth.

The existence of a lagging region within an industrial nation is interpreted as a temporary perturbation in the national market system. The challenge to the regional planner is to rationalize the economic, and spatial structures so as to integrate the region into the national economy⁽²⁾. By "rationalize" one implies the elimination of the impediments blocking the internal logic of capitalist development.

The evolution from "less developed" to "developed" is called development. Unfortunately, this little bit of circularity tells us nothing. If development has meaning then how should it be characterized? Quite often, "development" is used as just another way of saying economic growth. Economic growth, according to conventional wisdom, leads to full employment, a rise in wages, with a simultaneous rise in profits. In a booming economy, all share in the aggregate prosperity. Economic growth will produce beneficial spin-offs in all spheres of human existence.

"The modern growth spiral can be summarized thus: technical improvement increases output and incomes; higher incomes lead to more spending to absorb output and more savings to finance capital expansion, human improvement and further technical advance". (Lithwick, 1970:336)

The concept of economic growth is a quantitative one measured by the rates of change in an assortment of aggregate economic indicators (e.g. Gross National Product, per capita income, total exports, productivity). The growth concept, in itself, does not reveal the internal structure of the economy and the nature of the growth process itself. A

country exporting raw materials could exhibit, at the aggregate level, incredible economic growth, but unless this growth is accompanied by appropriate structural changes in the economy, growth will not be internally generated and self-propelling.

To incorporate the idea of structural changes, the term economic growth is replaced by the concept of economic development. Not only is development now characterized by overall economic growth but it is also characterized by key structural changes in the economy: an intensified division of labour, a market geared to mass consumption, economies of scale, high labour and capital mobility, a predominant tertiary sector, constant technological advances in production that guarantee accelerated growth ("The Growth Spiral"), etc. In short, an economic development patterned after the history of capitalism in the western world. After all, "nothing succeeds like success!".

The structural changes described above cannot occur in isolation. They must be accompanied by transformations in the cultural, sociological, political and spatial structures found within the society. The theory of economic development must also be accompanied by theories of cultural, sociological, political, and spatial development.

Implicit in all the uses of the word "development", i.e. economic, cultural, sociological, political and spatial, is the idea of an upward evolutionary process: a linear path characterized by constant improvements, changes for the better. Is there an eternal and universal set of criteria, external to mankind, by which to judge the merits of the above transformations? Capitalist ideology had inflated a historically specific mode of production into an eternal and universal fact. Transformations within the advanced

capitalist nations became their own justifications. This was a criticism that was used against the application of modernization theory in Third World development.

"Modernization theory" ... is characterized by a particular form of Western ethnocentrism; by ethnocentrism we simply mean the viewpoint whereby a member of a given society conceives of the world as somehow an extension of this particular society, which for all practical purposes is his world. In this case, the process of modernization or development, as the terms are often interchangeable, is seen as an extension of the Western socio-economic system, so that all things Western are viewed as all beneficial to the development of traditional societies". (Slater, 1974:336)

Though the above criticism is based on the notion of "Western ethnocentrism", it still has merit within the Quebec experience. The key issue is not Western versus non-Western but rather, the spread of an ideology that sees capitalism as the only viable way in which a society can guarantee its material reproduction and future well being.

The theory of modernization is representative of an ahistorical view of socio-economic evolution. According to Bernstein, "the principal assumptions of modernization theory...are 1) that modernization is a total social process associated with (or subsuming) economic development in terms of the pre-conditions, concomitants, and consequences of the latter; 2) that this process constitutes a universal pattern". (Bernstein, 1971:143)

Moore sees modernization as an all embracing, and comprehensive term:

"(Modernization) means essentially becoming a member of the common pool of world knowledge and useful techniques, perhaps withdrawing much and adding

little, but still sacrificing many time encrusted customs for the sake of real or visionary bebefits. Modernization involves the adoption of the latest procedures in administrative organization and crime control, in mass communication and public health, in education and occupational placement, in city transportation and village organization. Modernization means joining the modern world, and thus increasing its essential, though disorderly, unity". (Moore 1965:6)

Some see modernization as identical with the process of industrialization, or more accurately, with advances in the technology of production. Others see the relationship between industrialization, and development as one of increasing generality⁽³⁾.

Modernization was also used in conjunction with nation building. The challenge of transforming a former colony into a modern nation. A member of the international economic community - entails the creation of functionally integrated economy (which implies a functionally integrated national spatial system). A modern nation state must possess the necessary socio-cultural, political and geographic structures conducive to economic growth. As we saw in the first chapter, this was the prevalent view of the BAEQ. The task of the BAEQ study was to identify and analyze the socio-cultural, political and geographic concomitants of regional economic development.

Modern economic growth becomes a synonym of capitalism.

"What is involved in modernization is a 'total' transformation of the traditional or premodern society into the types of technology and associated social organization that characterize the 'advanced' economically prosperous and relatively stable nations of the Western world". (Moore 1965:89)

Moore forgets to mention a key factor for the Western world's prosperity: the exploitation of its former

colonies, in what is now the Third World⁽⁴⁾. Who must the poor nations of the world exploit today in order to imitate the Western world's success story?

Modernization, like the word development, suggests a movement to some ideal destination, a kind of Bergsonian process of "becoming". This process of "becoming" is the movement from the traditional society to the so called modern society. Traditional is often associated with rural. This was certainly the case in regional planning within Eastern Quebec. The region's rural structure was seen as the major impediment to its economic development. A systematic programme of modernization was needed to eliminate the traditional structures blocking economic development.

The process of change, from the traditional to the modern society "almost universally involves a greater complexity of social organization and a greater volume of transactions of all types" (Johnston, 1973:5). The greater complexity in the social organization of production refers to a more developed division of labour. With greater complexity in the social organization of production, the society becomes more efficient. The concept of efficiency, just like the concept of the "economic man", must be seen within the ideology of the capitalist mode of production. Within capitalism "efficiency" can be interpreted as the efficient accumulation of capital as revealed in the market place and measured in financial terms.

There are essentially two approaches to the implementation of a programme of modernization (Bernstein, 1971). One approach holds that man is by nature an "economic man". Traditional societies are seen as stifling man's true

economic nature. Remove the institutional obstacles of traditional society and offer the right set of incentives and economic development will naturally follow.

The other approach holds that the necessary motivation has to be instilled as a precondition to economic development. One must first create the requisite socio-cultural and psychological environment before economic development can take place. Man, despite himself, must first be molded into the image of "economic man" before he can respond to the incentive of economic growth. In the BAEQ plan, we find a mix of the two approaches, whereas in the OPDQ plan we find a slight variation of the first approach: the rural inhabitant is capable of being an "economic man" if allowed to plan his own destiny.

Modernization is, according to many of its proponents, inextricably tied to the organization of space.

"Modernization is a spatial diffusion process, assuming patterns of varying intensity and rate. Its origins are localized to specific regions or zones, indexing a contact situation and the patterns of change move like waves across the map, and cascade down the urban hierarchy as they are funneled along the transport system"⁽⁵⁾

The role of space in the diffusion of modernization is of central importance in the BAEQ report, as can be seen in the opening line of volume 8 of its study:

"L'organisation rationnelle de l'espace régionale est l'un des grands objectifs de développement du plan".

Two spatial mechanisms seems to be crucial for the spread of modernization:

- 1) urbanization;
- 2) mass communications, and transportation systems.

The first involves the role of the city and intercity system in regional and national development. The second involves the spatial spread of information so vital to the modernization process. Information flows take place along definite spatial pathways, and the structure of space will determine the rapidity with which information is diffused. Economic development depends on the diffusion of innovations. The nodal points of the information pathways constitute the intercity system.

The Organization of Space and Economic Development

The central concern of economic geography has been the relationship between the organization of space and the process of economic development. This concern finds expression in the following three questions:

- 1) what role does the region play in national development?
- 2) what role does the city play in regional development?
- 3) what is the role of the intercity system in national development?

The above questions are all inter-related, and each question focuses attention on a different spatial scale of economic development.

In the first question, the region is taken as the fundamental geographic sub-division. How the region is defined is a thorny issue. Is the region a mere taxonomic category? A functional sub-unit? A "natural" bio-physical unit? A socio-ecological unit? A unique historically

determined cultural landscape? An economic category? Or a geopolitical unit? Though these questions are important, we shall refrain from embarking on any analysis of "what is a region?".

In the second question, the geographic scope of investigation is narrowed to the region itself and its internal realities. In the third question, one introduces the system of urban centres. This system transcends regionalism. The city, insofar as it belongs to this system, becomes a supraregional entity.

Regional planning in Eastern Quebec, as we stated earlier, was animated by certain themes. Modernization, and economic development are two of them. Now we would like to discuss five spatial themes which we feel had attained a self-evident, if not axiomatic, status within Quebec regional planning:

- 1) the primacy of the city in economic development;
- 2) a hierarchy of urban centres as a prerequisite to economic development;
- 3) the primacy of the market as the agent of spatial development;
- 4) space as an impediment to economic development;
- 5) the spatial division of labour.

1. The Primacy of the City

The city is seen as the cornerstone of development in modern societies.

"Cities are what make modern economic systems work. Without them, there may be improvement; but it necessarily will be at a very low level of efficiency, and generally not self-sustaining. It is the city that

provides a direct link between all the macro-variables: capital formation, labour supplies, technological change, incomes, markets. Proximity - the essence of the urban system - permits the joining of these economic processes, and the high level of interaction among them provides the sustained thrust to launch modern economic growth".⁽⁶⁾ (Lithwick, 1970:48)

The city has become the nexus of national and regional development. "The city is seen as the agent for the introduction of new ideas, for development of innovations, and for social change generally" (Logan, 1972:240). Stohr describes this nexus "...as collecting and transshipment centres for hinterland products destined for national or international markets, and inversely as distribution centres for equipment produced in other regions needed for production in the hinterland" (Stohr, 1974:21). According to Logan "the key components in the spatial system", what we have called nexus, "are the urban centers, the transportation network that links them, and the organizational structure that propels demand and other incentives through the system" (Logan, 1972 :231). Logan's use of the words "demand" and "incentives" are fitting, for they reveal at a glance the importance of the capitalist mode of production (a mode based on "generalized commodity production") in the organization of space. So important are these urban centres (often called growth poles, or growth centres - depending on their position in the hierarchy) to the unfolding of capitalism that Hermansen writes:

"The task of development spatial planning can now be outlined as that of intervening in the spontaneously generated evolution of the spatial organization in order to control and direct the implantation of strategically located growth poles and growth centres." (Hermansen, 1969:354)

The city symbolizes all that is "modern". Hoselitz (1960) saw the city as the main spring of modernization and economic development. Historically, by concentrating the process of technological innovation in the city, the industrial revolution shifted the key role of economic growth to the city.

The city, as an agent of economic growth and modernization, can be seen to exhibit two complementary orientations. The city is both inward looking and outward looking vis-à-vis its "immediate region".

a) Inward Orientation

By inward looking, we mean the city's position vis-à-vis the City-Hinterland complex. The City-Hinterland relationship is seen as symbiotic. The city provides the goods, and services of high technology while the hinterland complements the city's productive capacities with agricultural and other resource oriented products.

"...The growth of a city will depend on its transport access to the potential hinterland (determining the geographic extension of its market), on the specialization and complementarity of activities in the hinterland (for which it fulfills functions of exchange and service), and on the demand for, and the productivity of hinterland activities (determining their ability to pay for central-place functions).Development of the hinterland can be stimulated through income transfers by commutation or by supply of products from the hinterland to the centre (agricultural products, recreational facilities)." (Stohr, 1974:22)

The fundamental division of space into City and Hinterland could be looked upon as another version, on a smaller scale, of the doctrine of comparative advantage (even though there is a high degree of capital mobility, theoretically).

Often, however, the terms of exchange are far from equitable. The terms of trade are determined by the market institutions rooted in the city. The determination of the prices of agricultural commodities in the major cities of the world and the "cost-price squeeze" in farming are perfect examples.

Modernization and economic development are thus initiated in the city, and then "spill over", or diffuse, to the hinterland. The city is seen as the dynamic element in development while the hinterland becomes the passive receptor of the city's "growth impulses". The belief that urban growth would entail spatial diffusion of modernization (innovations), and with it economic development, into the hinterland was an essential component in all growth pole strategies for regional development. This was certainly the case in Eastern Quebec. It was also true in Quebec.

"Raynauld (1971) for instance has argued that economic development in Quebec depends on a strong and expanding economy in metropolitan Montreal... The best that can be hoped for an improving equity in economic well being through urban Quebec is to encourage the hierarchical diffusion process in spreading outward from Montreal".

This is exactly the sort of mentality that "Les Opérations Dignité" sought to fight.

Pred points out that in the promulgation of growth pole strategy, regional planners "... implicitly or explicitly assume that any significant investment, or expansion of, economic activity at a 'growth centre' or spatially defined 'growth pole' will lead to a concentration of employment multipliers and other spread effects within the target urban centres and its trading hinterland, or 'zone of influence'..." (Pred, 1977:121)

The optimal extent of the hinterland has been a prime consideration in regional planning in Eastern Quebec, and Quebec as a whole. In Chapter One, we saw the importance that the BAEQ set by the spatial extent of polarization around the region's principal agglomerations. In Quebec, the issue of Montreal's maximal range of influence into the Quebec economic space is of central concern because the province's growth is seen as a function of Montreal's growth, and the ability of the city to diffuse the multiplier effects of its growth to as large an area of Quebec as possible.

"Lorsque l'on parle de développement économique au Québec, il semble acquis pour tous que ce développement doit d'abord passer par la région de Montréal. Celle-ci, tant par sa population que par le volume et la diversité de ses activités économiques, constitue une masse qui influence fondamentalement la croissance et le développement du Québec". (Thibodeau, 1976:7)

As a consequence of the Higgins, Martin, and Raynauld (1970) report which saw Montreal losing its economic importance in Canada and North America, it became imperative to study the spatial impacts of Montreal on Quebec. But this required a determination of Montreal's direct sphere of influence -- "la région directement polarisée par Montréal".

"Avant de pouvoir comprendre l'impact de Montréal sur l'économie de toutes régions du Québec, il faut d'abord connaître son impact sur sa propre région, car c'est là qu'il est le plus visible. Si les effets d'entraînement de Montréal sur sa propre région économique sont négligeables voire négatifs, ils risquent encore plus de l'être pour la reste du Québec" (Thibodeau, 1976:9)

b) The Outward Orientation

"Individual cities do not grow independently of other cities but as a function of their relative location within the system of all cities". (Friedmann 1979:96)

Dynamic growth requires external linkages. The region must interact with other regions in order to augment its internal growth capacities. The nature of extra-regional interaction consists of flows in raw materials, semi-finished and finished products, information, labour and capital. Interregional interaction is carried out through the cities. The city is the gateway to the hinterland. External inputs and innovations are, usually, first channeled through the city before reaching the surrounding region.

It appears that the growth of the city-system is tied to the ever increasing spatial division of labour. The two phenomena feed upon each other. In today's world, we find that a great deal of any city's needs are met by external sources, while the same city's production is oriented towards meeting the needs of other cities.

One cannot speak of the system of cities without introducing the notion of hierarchical structure. Hierarchical organization seems to be the key to the efficiency of city-systems. Berry (1972) saw the hierarchical arrangement of cities as the most efficient way to transmit growth impulses⁽⁷⁾. Unfortunately, Berry confused the spread of growth impulses with the diffusion of consumer tastes, and goods.

Berry's theory was extremely popular among development thinkers. Development was now seen, in its spatial component, as the "trickling" down of growth inducing innovations through the urban hierarchy. This trickle-down effect was also tied to the spread of modernization in the peripheral regions. Or rather, the lack of the spatial spread of modernization, and hence economic development, was

seen as an inadequacy in hierarchical diffusion. The central contention of hierarchical diffusion is as follows:

"In his usually bold fashion, Berry formulated what has since become the basic proposition in spatial diffusion research: that innovations diffuse outward from the core to periphery via a process of hierarchical diffusion down the urban hierarchy, and from given urban centres to their surrounding hinterlands in 'wave-like' fashion. (Friedmann, 1978:121).

The hierarchical organization of space is said to provide a harmonious integration of space. This harmony is the result of the balance between the centrifugal forces of spatial concentration and the centripetal forces of spatial dispersion. It is through transport costs that the two forces are supposedly reconciled.

Hierarchical spatial structure can be likened to the dendritic networks of human anatomy: just as the nervous system provides a continuous link between the extremities and the brain, so does a nation's hierarchical spatial structure provide a continuous link between the major cities and the most remote areas. Not only does the dendritic network ensure the movement of commodities throughout the national space, it also guarantees the flow of political power from the top to the bottom. Afterall, the hands must do the brain's bidding.

The efficiency of hierarchical diffusion down the urban system led to Berry's well known policy pronouncement: log-normal city-size distributions are optimal spatial arrangements. If hierarchical spatial organization was needed for the diffusion of "modernization waves", it also followed that spatial organization could be taken as an index of modernization.

"Development processes tend to produce a hierarchical type of spatial structure, albeit one in which the true hierarchical form is disturbed by variations of the economic and physical environments". (Johnston, 1973:54-55).

Garner (1967) went so far as to argue that human activity is essentially hierarchical in character.

The policy implications for regional planning are clear. A lagging region, one in which the development and modernization processes were unable to function properly, could be the result of an improper hierarchical arrangement of space. The dis-equilibrium in Quebec's city-size distribution was a popular theme amongst geographers in the 1960's. As a province, Quebec was considered sufficiently urbanized. However, most of the population was concentrated in Montreal. Quebec was missing intermediate sized cities (Saint-Germain, 1973). Eastern Quebec, on the other hand, was not sufficiently urbanized.

Given the remarks of the first chapter, we can see that Berry's comments had a significant impact on the regional planners in Eastern Quebec. As we saw, most of the inhabitants lived in small villages of less than 1,500 people. These villages, it will be remembered, were thinly spread over the entire littoral. Economic development could only be achieved in Eastern Quebec by the "rational" re-organization of the region's city-size distribution. To encourage this rational structure, villages and parishes were encouraged, by a concerted government propaganda effort, to close down!

The key to dynamic regional development is the development of a city-system. Interurban information circulation is an important mechanism in city-system development and hence in regional and national development. In a study of information flow in a system of cities, Pred (1973) and Tornqvist (1973) analyzed the process of city-system development in terms of three inter-related subprocesses:

- the generation of non-local multiplier effects;
- the intercity diffusion of growth inducing innovations;
- the intra-firm organizational decision process.

In their study, Pred and Tornqvist underline the growing interdependence of cities. The increasing spatial division of labour has led to greater urban specialization. As a result, there is a high import/export component to inter-city dependence. Pred and Tornqvist give 50% as the average figure for the import/export component, i.e. 50% of a city's needs are imported while 50% of its production is exported to other cities. Inter-city dependence is also the result of the emergence of the multi-locational firm. Accord

ing to Pred and Tornqvist, the intra-organizational flows of large companies play a major role in inter-city flows within the advanced industrial societies.

The inter-city diffusion of growth inducing innovations is part of the modernization process. The innovations could be new products and services for the market, new production processes, or organizational innovations. On the point of hierarchical diffusion, Pred and Tornqvist take exception to the view that innovation flows are unidirectional i.e. downwards. They believe that the "non-local multiplier" aspect of the city-systems give rise to horizontal and even upward diffusion.

The importance of organization decisions, in city-system development results from the existence of large multi-locational firms. "In advanced economies the ongoing development of systems of cities is, in the final analysis, largely synonymous with the accumulation of investment, resource allocation, and production decisions made by various types of job-providing private and public institutions" (Pred, Tornqvist, 1973:).

In Eastern Quebec's history, the large multi-locational firms were extractive industries. It is doubtful whether these industries ever gave rise to any indigenous, self-sustaining growth. These firms were all extra-territorial in origin (national or international). The flow was upwards; the extraction of surplus value.

Where private industry has failed to create a hierarchy, the government has stepped in to create at least a hierarchy of service centres in Eastern Quebec. But service centres cannot really be considered growth centres. And the "footloose" industries proposed in both plans could not give rise to any interregional linkages.

From their study, Pred and Tornqvist conclude that inter-urban diffusion of innovations and the intra-organizational process within large multi-locational firms contribute to the stabilization of city system development by re-inforcing the high rank-size of the already large cities. Given the OPDQ's acceptance of the capitalist political economy, the above conclusion seems to put a theoretical barrier in the way of its concept of "l'auto-développement".

2) The Primacy of the Market

One interpretation of the market is to see it as a universal in human history. Quite often, this conception reduces to considering the market as simply a collectivity of buyers and sellers. Exchange between the buyers and sellers could take place in a variety of geographic locations, e.g. the village market place or, as in present day capitalism, in a series of hierarchically arranged, and spatially dispersed centres.

This view carries with it certain pitfalls; one could mistakenly adopt the position that all past forms of economic organization were market economies. At first glance, there is nothing objectionable about this nomenclature. Where else but in the market can producers exchange the fruits of their labour. However, on closer scrutiny, one finds that in today's economic discourse "the market" has assumed an added dimension and this new dimension is rooted in the capitalist mode of production.

The market now becomes the underlying principle of socio-economic organization and the regulating mechanism of aggregate economic reproduction. The market, used as a universal feature of human economic intercourse, has now become identified with a historically specific mode of production. The general idea of markets (as meeting places where one exchanges products) become confused with the political economic concept of "the market"; the regulating principle, the "unseen hand" notion of socio-economic organization. This confusion leads to the view that all periods of history have manifested some form of capitalist economic organization.

Dobb (1978) points out that some authors have not properly distinguished between the history of the market and the rise of capitalism. These authors, according to Dobb, associate the rise of money and trade with the rise of capitalism, as a commercial system, this is too restrictive and it leads "... inexorably to the conclusion that all periods of history have been capitalist, or at least to some degree" (Dobb, 1978:8).

Instead, capitalism is a particular mode of production; a historically given set of social relations of production. The most important characteristic of these social relations of production is the transformation of labour-power into a commodity, to be bought and sold under the regulation of the market⁽⁸⁾.

The commercial market was the prerequisite to capitalism. However, according to Dobb, the alienation of the worker from his product does not mark the start of capitalism. Rather, it is the alienation of the worker from the means of production that signals the rise of capitalism. Despite the existence of many different classes in the history of man, it is the appearance of an important economic class distinction that heralds capitalism, that between the capitalist and the proletariat⁽⁹⁾.

Dobb's argument is, for the most part, the traditional marxian argument. I feel that he under-estimates the fundamental transformation that took place when producers became alienated from their products. No longer was the craftsman producing for a particular customer, instead, he now produced for a collection of abstract customers, or "the market".

Bell (1978) believes that generalized commodity production for an abstract market was not the dominant activity of the ancient world nor of the feudal period^(*). Dobb does not, in our opinion, sufficiently stress the abstract and unlimited nature of the market resulting from the rise of the capitalist mode of production. This new state of affairs is symbolized, in our estimation, in Marx's lengthy analysis of the commodity. So central is the commodity that Marx saw the abolition of commodity production and exchange as one of the conditions of communism.

"What is distinctive about the modern market, sociologically, is that it has been a bourgeois economy. This has meant two things: first, that the ends of production are not common but individual; and second, that the motives for the acquisition of goods are not needs but wants"⁽ⁱⁱ⁾ (Bell, 1978:223) . But these wants have a price. It is through the market that prices are assigned to a set of wants. Dupuy (1980) observes that the continued survival of capitalism has been based on the market's ability to expand the set of wants by constantly replacing use-values with exchange-values.

Many of our present day beliefs on the market first found expression in Adam Smith's "the unseen hand". The unseen hand, a deistic category, brought order and harmony out of chaos, and co-operation out of competition; a countless number of buyers and sellers, all pursuing their own economic self-interests, bound into a complex system of co-operation. Not only did the market bring order and harmony but it also produced the efficient economic order while maximizing human well-being.

It is through the market that individual production (private production) is made social production. The market is supposed to reconcile private interests vs. public interests. This belief is held today in conservative and liberal circles. This belief is based on "... the naive conviction that 'common' interest is perfectly served if each individual pursues his 'private interests'" (Mandel, 1977:79). Of course, "private interest" entails the legal, political, social and economic right to dispose of one's private property in such a way as to maximize one's profit on capital invested. As Mandel points out, this belief in the market only serves "... to mask the contradiction between the interests of the capitalists and the wage earners" (Mandel, 1977:179).

Even under monopoly capitalism, the market is still seen capable of maximizing society's socio-cultural and economic "wants" in a world of scarcity. Where as in the past, one spoke of just and unjust prices, or natural or unnatural prices, in today's capitalist technocracy one speaks of efficiency and arbitrary prices (Lindblom, 1977). Efficiency prices supposedly reflect preferences and the correct appraisal of relative scarcities. "It can be shown that, on certain assumptions, market exchanges approximate a certain kind of optimality or efficiency simply because people will have entered into exchanges when they have gained from it and otherwise not. A wrong set of prices (arbitrary), however, will block efficient exchange" (Lindblom, 1977:40).

Economic principles determine the spatial structure of an economy. Isard's regional science school, an important influence in North American regional planning in the last twenty-five years, along with his predecessors like Von

Thunen, Losch, Christaller, all extended Adam Smith's notion of the unseen hand to space: the market guarantees, if no externalities perturb the system, optimal spatial configurations.

Accessibility, i.e. overcoming the barrier of space, is conceived as a movement-minimization process and measured by transport costs. "Locational decisions are taken, in general, so as to minimize the frictional effects of distance (Garner, 1967:304). Inspired by the models of physics (physical systems, when not acted upon by an outside force, follow the path of minimum energy expenditure), Losch proposed the "law of minimum effort". Under the dynamics of the market, a hierarchical configuration of space becomes a minimizing structure, i.e. it maximizes accessibility.

In addition to the minimizing principle, the market is supposed to produce equilibrium configurations in space. The market's most fervent supporters ("Reaganomists", Milton Friedman, etc.) see it as completely self-adjusting. Regional disparities are seen as momentary fluctuations from equilibrium. The self-balancing dynamics of the market will create inter-regional flows in the factors of production that will return the system to equilibrium and optimality.

"Liberal" regional planners, while never questioning the fundamental tenets of capitalism, do question the self-regulatory capacities of the market. The market is still seen as the principle of economic organization, but the market's self-balancing mechanisms are seen to be, at times, too slow in reacting to economic deviations from equilibrium. If these deviations do not decay as a result of the market mechanism then they could be amplified by the

mechanism of circular causation. These amplified fluctuations will obviously play havoc with regional self-balancing mechanisms.

The ineffectiveness of the market's self-balancing mechanisms is attributed to imperfections in an otherwise well functioning system. Liberal economists see the imperfections as external to the capitalist paradigm and, as such, amenable to control and rectification. The liberal argues for more state intervention in the market. This control does not mean a centrally planned economy. State capitalism should not be confused with socialism.

Canadian economic development strategies oscillate between the above two views on the market. But the basic primacy of the market is never questioned. On this issue, Donald Johnston, the federal minister of Economic Development, has said:

"The government has a major role to play in the economy in terms of enabling industry to adapt rapidly to market forces. In other words, not to fight market forces, but its a matter of adapting to market forces. I think the economy is ultimately like a very strong current in the river. I just don't think you can slow it down. You can dam it, but you'll be frustrated with failure. You'll try and never succeed. But you can concentrate it, and do things to it provided you swim with it essentially". (Globe and Mail, April 8, 1983:7)

Looking back at Chapters One and Two, we can see that regional planning in Eastern Quebec was based on the liberal conception of the market in spatial organization. The issue of Eastern Quebec's uneven development (internally and vis-à-vis the province) was not seen as an ideological issue. Rather, it was a question of correcting the malfunctioning regional market through government intervention. Neither was the conception of development a

challenge to the capitalist paradigm. Rather, it was a challenge to the interpretation of a regional market within a capitalist national system.

3) Space As An Impediment

The capitalist process of surplus-value production, and accumulation depends on the efficient co-ordination of production and circulation. In production, value is created, but in circulation the exchange-values of the commodities are realized. It is in circulation that space becomes a barrier to routine intercourse⁽¹²⁾. (Harvey, 1975).

Capitalism has intensified the spatial division of labour; not only is there regional specialization but there is a high degree of specialization within the system of cities. As a result, space is taking on a more and more functional character; nodes (of buyers and sellers) organized in a hierarchical order and linked by transportation and communication networks. Space becomes a one dimensional measure of "friction", and "time" is reduced to a rate of change (dy/dt). Overcoming the frictional nature of space then become a major challenge of the transportation and communications infrastructure.

Johnston (1973) observes that 1) covering distance involves time (time spent in movement may be economically wasteful); 2) distance constrains available information; 3) distance constrains opportunities. To overcome these barriers "the capitalist mode of production promotes the production of cheap and rapid forms of transportation in order that 'the direct product can be realized in distant markets in mass quantities' at the same time as 'new spheres of realization for labour, driven by capital can be opened up'". (Harvey, 1975:269-270).

The importance of reducing circulation time has manifested itself in the importance given to transport costs by such prominent regional scientists as Isard. They would argue that spatial organization must have as its primary goal the minimization of transport and communications costs.

4) The Spatial Division of Labour

Throughout the history of Western civilization, the social division of labour has stood in a dialectical relation to the mode of production. There seems to be a universal aspect to the social division of production: every society in the past has had to divide its total material reproduction into production specializations; every society has had to devise a system for the allocation of labour-time to the various production specializations; every society has had to evolve a system of co-operation to integrate harmoniously the various production specializations; every society has had to find some way of reconciling, through the social division of labour, the conflict arising from the individual's multitude of needs on the one hand, and the individual's limited abilities, as a producer, on the other hand.

This universal aspect of the social division of labour has been confused with the historically specific contents of the capitalist mode of production. Marx, in his discussion of the commodity in Capital I, points out that the "division of labour is a necessary condition for commodity production, although the converse does not hold; commodity production is not a necessary condition for the social division of labour" (Marx, 1867:132)

Under capitalist ideology, the social division of labour and the paradigms of capitalist political economy are fused into one then eternalized, and universalized. Sweezy points out that Adam Smith was "unable to conceive of the division of labour independently of exchange". For Adam Smith, exchange was prior to and responsible for the division of labour". Drawing from Adam Smith's writings, as an example, Sweezy concludes that capitalist political economic theory confused the issue:

"Exchange and division of labour are ... indissolubly bound together and shown to be the joint pillars supporting civilized society. The implications of this position are clear: commodity production, rooted in human nature, is the universal and inevitable form of economic life; economic science is the science of commodity production". (Sweezy, 1942:24)

In trying to understand the conceptual importance of the division of labour in the BAEQ, and OPDQ studies, and in regional planning in general, we must be aware that the mode of production shapes the very meaning of the division of labour. The "social utility" assigned by society to the division of labour is not an objective, and technical issue. Rather, the very notion of "social utility" is an ideological one.

Marx's investigations into the rise of manufacturers provides us with an excellent example of the dialectical transformation of the concept, and role of the division of labour:

"Political economy, which first emerged as an independent science during the period of manufacture, is only able to view the social division of labour in terms of the division found in manufacture, i.e. as a means of producing more commodities with a given quantity of labour, and consequently of cheapening commodities and accelerating the accumulation of capital. In most striking contrast with this

accentuation of quantity and exchange-value is the attitude of the writers of classical antiquity, who are exclusively concerned with quality and use-value. As a result of the separation of the social branches of production, commodities are better made, men's various inclinations and talents select more suitable fields of action, and without some restriction no important results can be obtained anywhere. Hence, both product and producer are improved by the division of labour". (Marx, 1867:486-87)

The division of labour brought about by the rise of manufacturers was "...an entirely specific creation of the capitalist mode of production" (Marx, 1867:480). The capitalist sub-ordinated the existing division of labour (independent craftsmen) to the imperative of capitalist accumulation by placing many different craftsmen under one roof, and co-ordinating their productive activities towards the production of one product. This had a profound effect on the relationship of the worker to his work, his products, and to his relationship to the means of production.

Specialization within the system of manufacture reduced independent trades to partial operations, and encouraged the production of more specialized tools. This set the stage for the introduction of machinery and the rise of large-scale industry. Whereas in manufacture, the refinement of the division of labour took labour as its starting point, in large-scale industry the instruments of labour became the starting point in the definition of the division of labour. With the rise of large-scale industry, machines were producing machines and the "social utility" of the division of labour was functionally tied to the technological demands of inter-machine linkages in optimizing the production process. Optimization is, ultimately, based on the imperative of profit maximization.

Just as the rise of the capitalist mode of production altered, in a dialectical manner, the meaning of the social division of labour, it also transformed the significance of the spatial division of labour. With the rise of manufactures, the co-operation between the various craftsmen became an "organic relation".

"The division of labour under the system of manufacture not only simplifies and multiplies the qualitatively different parts of society's collective worker, but also creates a fixed mathematical relation or ratio which regulates the quantitative extent of those parts Thus, alongside the qualitative articulation, the division of labour develops a quantitative rule and a proportionality for the social labour process" (Marx, 1867:465)

In a similar manner, we contend that, with the increased territorial specialization of production brought about by the system of manufacture, territories also found themselves linked by similar "fixed" quantitative relations. Under the system of manufacture, the capitalist forced an organic relationship on the interaction of the various crafts. A similar process occurred in the spatial organization of production.

It must be remembered that this new "organic unity" regulating the social, and spatial division of labour had its base in the capitalist imperative to increase the rate of capital accumulation, and surplus-value appropriation, through substantial quantitative increases in commodity production and circulation. Substantial increases in commodity exchange required qualitative transformations in the social, and spatial division of labour. The rise of manufactures, followed by the rise of large-scale industry, and then followed by today's mass consumer society all give testimony to these changes.

2

Samuelson makes the same ideological error as Adam Smith when he links mass consumption and production with modernization. Samuelson argues that in a mass consumer society an "incredible degree of specialization and an intricate division of labour" are needed. Mass consumption, i.e. commodity exchange on a quantitatively higher scale, becomes a universal that precedes the division of labour. Mass production gives rise to an even more intensified spatial division of labour with more complex mathematical ratios binding the producing territories. Modern societies, in Samuelson's view, are based on mass production, and mass production societies cannot be based on autarchic production, socially, or spatially. This conception of the mass consumer society, and the social, and spatial division of labour was a fundamental premise of the BAEQ study.

Another transformation in the territorial specialization of production resulting from the dialectical interplay between space and the mode of production is the separation of town and country⁽¹³⁾.

"The foundation of every division of labour which has attained a certain degree of development, and has been brought about by the exchange of commodities, is the separation of town and country. One might say that the whole economic history of society is summed up in the movement of this antithesis" (Marx, 1867:472)

The system of manufacture gave a new impetus to the importance of the town in the production. However, the major transformation of the role of the city in commodity production came about with the rise of large-scale industry, and with the discovery of new forms of energy production. In the early days, textile manufactures were based on the water-mill and hence dependent on the geographical location of streams. With the invention of the steam engine textile production freed itself from the rural areas:

"Not till the invention of Watt's second and so-called double-acting steam-engine was a prime mover found which drew its own motive power from the consumption of coal and water, was entirely under man's control, was mobile and a means of locomotion, was urban and not -- like a water wheel -- rural permitted production to be concentrated in towns instead of -- like the water wheels -- being scattered over the countryside and, was of universal technical application, and little affected in its choice of residence or local circumstances" (Marx, 1867:499)

The rise of large scale-industry significantly widened the separation of town and country.

The spatial division of labour associated with the division of space into town and country was a fundamental component in the BAEQ study. The development of the forestry industry in Eastern Quebec, was rural based because of its dependence on the water wheel and the location of streams. Small villages sprang up around these streams. This particular spatial organization was a consequence of the exploitation of the forests by private, and extra-territorial capital. The development process envisaged by the BAEQ for Eastern Quebec demanded the rise of mass production, and consumption. This new orientation would require a geographical shift in the region's population: a depletion of the rural areas and an increase in the population of a few selected cities.

CHAPTER FOUR

INTRODUCTION

In both the BAEQ and OPDQ studies, we saw a deep concern over the disparities between Eastern Quebec and the rest of the province. The disparities in disposable income per capita, the rate of unemployment, and other disparities of a structural nature were most pronounced in the rural areas. The traditional agricultural way of life, which had for so long dominated the region, was blamed in the BAEQ study for the rural dilemma. The BAEQ study concluded that the region could not support the number of farmers that were on the land. It must be kept in mind that for the BAEQ, agriculture had ceased to be a way of life. Instead, agriculture meant commercial farming. A call was made for farm consolidation. The OPDQ held similar views on commercial agriculture and land consolidation.

Much of the strategy for the elimination of regional disparities hinged on rural development, which itself revolved around the notion of agricultural marginality. The concept of agricultural marginality used in the studies had the allure of objectivity rooted in physical reality. To the contrary, agricultural marginality is the result of the interplay of bio-physical phenomena with political economic paradigms. The political economic paradigms were, in both studies, those of the capitalist mode of production. Marginality depended on the land's bio-physical ability to support commercial agriculture.

Traditional agriculture was seen as the major obstacle to rural development and the elimination of regional disparities. The rural areas had to be re-structured in order to

accommodate commercial agriculture. Commercial agriculture would raise farm revenues, and in so doing, reduce regional-provincial disparities (assuming that the urban areas could absorb the excess rural population arising from consolidation).

In this section, I would like to make explicit the underlying ideas in commercial agriculture and agricultural marginality that were implicit in the studies. In addition, I would like to examine, in a quantitative manner, the evolution of uneven agricultural development in relation to the uneven distribution of bio-physical factors of agricultural production.

Agricultural Marginality

The BAEQ, and OPDQ studies were carried out within a conceptual framework in which an objective economic science is integrated with the bio-physical imperatives of the region. I would venture to say that this conceptual framework underlies the methodology of land-use analysis of the Regional Science School, a school of thought that permeated the regional planning of the 50's and 60's.

A present day example of this methodology can be found in a 1981 working paper of the federal Lands Directorate entitled "The Agricultural Use of Marginal Lands: A Review and Bibliography" (Beattie, 1981). Cognizant of the wide range of definitions of agricultural marginality, the authors adopted the following "operational definition" of agricultural marginality:

"The agricultural margin or frontier is defined as a line which at any point in time separates that areas wherein agricultural production is economic from that part of the nation where it is not." (Emphasis added) (Beattie et al, 1981:3).

The economic definition of marginality"... subsumes many other factors which influence location of the margin at any point in time. These include the physical capability of the land, climate, accessibility, technology, management capability, market demand, and expectations of what constitutes a reasonable return on investment and an adequate standard of living". (Beattie, 1981:3). The authors then go on to caution the reader not to view the condition of marginality as simply a question of the physical limits of cultivability.

"Human response to physical marginality through research, technology and management practices has had considerable impact on land productivity, and so, marginal agriculture represents the interaction between physical and socio-economic factors." (Beattie et al, 1981:18).

The integration proposed by Beattie et al is summarized in Figure 1. On first appearances, the integration of the physical, and socio-economic factors seems to be reasonable and pertinent to the issue of marginality and agricultural production. A marxist approach to the issue of marginality does not monopolize the idea of the integration of socio-economic factors.

What does distinguish the capitalist from the marxist approach is the ideological interpretation of the term "socio-economic factors". The term as used by Beattie et al, and representative of capitalist regional planning in general, conceals (as we shall see in the second half of this thesis) the universal acceptance of certain socio-economic categories inherent in capitalism. One has only to

Agriculture on Marginal Land

Factors of Production

Physical,
(land resource characteristics)

Socio-Economic
(modify the land resource)

(Taken from Beattie et al, 1980,33)

Figure 4.1

scratch the surface to discover, the commodity with all its ramifications, the primacy of the market profit maximization as the "raison d'être" of all productive activity, and the entire concept called "the economic man". This then becomes the tacit acceptance of a political economy in which one class has the ethical, legal, economic and political right to control the means of society's material reproduction, and the right to appropriate the socially produced surplus value.

The question of a region's marginality vis-a-vis agricultural production is, in the last analysis, determined by the region's ability to maintain an agricultural system capable of responding competitively to the needs of the capitalist market system - a market system that operates at geographic scales far beyond the region's border⁽¹⁾. When a region is unable to maintain, or give rise to, a competitive agricultural sector, impediments (whether they be internal or external) are sought to explain this inability: a poorly endowed resource base; an inadequate economic infrastructure; locationally disadvantaged and poorly developed spatial organization; and a population rooted in traditionalism and ill prepared to assume the challenge of modern agriculture.

These obstacles were major themes throughout the BAEQ study. They also resurfaced in the OPDQ study but they were veiled by the call for "L'auto-développement".

The Different Components of Agricultural Marginality

Marginality, as a condition reflecting lagging agricultural productivity has four components:

1. physical resource base marginality;
2. geographic marginality;

3. economic marginality;
4. social marginality;

Going beyond agriculture, the above components of marginality (with the addition of political marginality) are, in manner of speaking, the co-ordinates describing Eastern Quebec's peripheral position and its overall "backwardness".

1. Marginal Resource Base

A marginal resource base represents an important deficiency as regards the needs of agriculture, in one, or all, of the following physical factors: climate, soil and physiography.

Climate

Climate, as it relates to agriculture, concerns the seasonability and rhythm in the availability of heat, light and water. Spatial variation in climate is one factor, among many, which is responsible for regional differences in crop yield potentials.

Meteorological data are the only direct expression of climate. Based on an assortment of meteorological data, Canada has been divided into seven temperature zones, and nine moisture classes. Overlaying the moisture classes on the temperature zones, the agricultural areas are divided into forty climatic regions. Essex and South Kent counties in Ontario head the list as the most climatically suitable for agriculture. At the other end of the scale, we find the marginal areas. Eastern Quebec falls in the lower third of the scale, with Central Gaspé at the very bottom.

For the purposes of our quantitative analysis, we shall adopt the Agroclimatic Resource Index (ACRI) as the measure of the climate's influence on crop yields. "...The Agroclimatic Resource Index (ACRI) is based on freeze-free duration except in coastal areas where growing degree days are used, and the values of the climatic resource for agriculture where moisture is lacking" (Williams, 1978:12). ACRI is taken to be directly proportional to crop yield potential, all other things being equal⁽²⁾. ACRI varies from 3, in prime areas (Essex and Kent counties) to 1 for most of the marginal areas (Gaspé Ouest, Fraser Fort, B.C.). In Quebec, ACRI ranges from 2.6 to 1. In Eastern Quebec, ACRI ranges from 1.8 to 1.

Soil and Physiography

Soil analysis determines the soil's fertility, water retention properties, ability to accommodate adequate root growth, and the soil's mechanical properties.

Physiography relates to questions of water receptivity, distribution, storage and their dependence on topography. From physiographic studies one can come to some understanding of the dynamics of erosion, sedimentation, drainage, run-off, evaporation, and accumulation, etc. Topography can also produce micro-climatic variations within a given macro-climatic situation. In Eastern Quebec, the Matepédia valley is such an example.

Though texture, composition, and particle structure provide the only acceptable description of the soil, and landforms, the only true measure of physiography (Danserau, 1977) we shall skip over these levels of description and accept, as a starting point, the more synthesized results of the Canadian Land Inventory on soil capability for agriculture.

Agricultural land is divided into eight capability classes; class 1 to 7 and organic soils. In going from class 1 to class 7, we encounter soils that possess increasing limitations to mechanized economic farming. Class 7 soils have no agricultural potential; 80% of Canadian land is class 7, and 95% of Quebec land is incapable of supporting agriculture.

We have further synthesized the CLI soil capability data for Quebec by reducing all the first four classes to one measure (the first four are the most meaningful for agriculture): Class 1 equivalent soil. We have applied Hoffman's analysis of Ontario soils directly to Quebec. Specifically, we have used the same reduction coefficients (Hoffman:1971).

Class 1 Equivalent acreage in country J = $EQV(J) = (\text{Class 1 (acres) of country J} + 0.8 \times (\text{Class 2 (acres) of country J}) + 0.64 \times (\text{Class 3 (acres) of country J}) + 0.49 \times (\text{Class 4 (acres) of country J})$.

We can further synthesize the role of climate and soil into one Soil-Climatic Resource Index. Combining the Agroclimatic Resource Index with the region's Class 1 equivalent acreage, we obtain a land resource acreage which measures the region's overall physical potential for agriculture relative to other regions. The soil-climatic acreage, when coupled with the region's actual land area, gives us a good quantitative, and qualitative picture of the region's resource base for agriculture. We define this measure in the following manner:

$$\begin{aligned} \text{Soil-Climatic Resource Acreage for Country J} &= \\ &= SOLCL(J) = \frac{ACRI(J) \times EQV(J)}{3} \end{aligned}$$

Geographic Marginality

The notion of geographic marginality is meant to embrace those geographic factors, other than soil, climate and physiography, which impede the growth of Eastern Québec's agricultural sector. In particular, we are referring to the unfavourable location of the agricultural producing areas vis-a-vis potential urban markets. With geographic marginality, we return to the concept of space as an impediment, and to the frictional aspect of space.

Economic growth, i.e. the expansion of commodity production and exchange, depends on the efficiency by which the transportation system can "annihilate space with time". In the BAEQ, and OPDQ studies, regional economic growth was contingent on Eastern Québec's integration into the Québec space economy. Transportation was seen as the key element in this integration:

"L'élimination des nombreuses disparités constantes entre la région-pilote et l'ensemble du Québec implique le transport comme l'outil le plus visuel d'intégration de la région-pilote aux autres régions du Québec." (BAEQ 6,85).

Physical distance is not the sole determinant of spatial friction, i.e. the "nearness" of one region to another. Eastern Québec's "nearness to", or "farness from", urban markets is also a question of transportation infrastructure. Any spatial isolation attributed to Eastern Québec is as much a matter of technology, the availability to technology, and the political will, at all levels of government, to implement the existing transportation technology as it is a matter of physical distance, topography, etc.

The development of a transportation infrastructure is, to a great extent, within the jurisdiction of the State. How does a particular level of government formulate its transportation policy? Governments move, all too often, to meet the needs of powerful interest groups with well organized lobbies. The needs of "capital" are often given primacy. Within capitalist ideology, however, the development of a transportation system, in accordance with the needs of "capital", is not necessarily seen as granting favours to any particular class. Rather, it is viewed as the logical response to the dynamics of the market in space. The government's perception of sub-territorial transportation needs is often the consequence of the interplay of local needs (as defined by local capitalist) and the interests of capital defined over the entire territory.

If transportation is to overcome geographic marginality, and allow the agricultural sector to develop, then Maritime shipping should offer such a means for Eastern Quebec. There are several reasons for this:

1. Eastern Quebec is a coastal region, with a great deal of its coastline bordering on one of the busiest shipping lanes in the world; the St. Lawrence Seaway;
2. Eastern Quebec already possesses a good number of ports - in 1972, Eastern Quebec possessed 40% of provincial ports;
3. There are nearby urban markets for Eastern Quebec's agricultural products which can be most easily reached by ship - the North Shore of the St. Lawrence just opposite Eastern Quebec.

Both the BEAQ, and OPDQ studies pointed to the North Shore as a region that could complement Eastern Quebec.

"...les traversiers ouvrent de nombreux marchés en reliant des régions complémentaires. Or, nous sommes ici en présence de deux régions qui pourraient offrir cette complémentarité, la Côte-Nord industrielle et l'Est, pourvoyeuse de main-d'oeuvre, pouvant aussi offrir un bon nombre de services." (OPDQ 3, 1978, 120).

Physical distance could not be said to be an obstacle to the sale of Eastern Quebec agricultural goods to such North Shore cities as Baie-Comeau, Port-Cartier and Sept-Iles. And yet, if one examines the Annual Shipping Reports put out by Statistics Canada one discovers that Eastern Quebec ships very little, if any, dairy products to these cities while Montreal ships a good deal to them. For example, in 1977, 181 short tons of dairy products and eggs were unloaded in Sept-Iles from ships originating from Montreal (Shipping Report, Statistics Canada, page 122, Catalog 54-206). At the same time, if we examine the commodities loaded in Eastern Quebec ports for that same year, we find absolutely no dairy products listed.

It should be added that the shipping statistics do not reveal the shipment of dairy and other food products that are carried by truck aboard a ship. Since trucking is a dominant mode of shipping within Eastern Quebec, we must look at these results with caution. Nevertheless, we still feel that these shipping figures are indicative of the contradictions in the region's geographic marginality.

All the commodities loaded in Eastern Quebec ports were resource commodities. Unprocessed wood products were the major items. This is a tant example of the subordination of distance to the needs of capital. Eastern Quebec is

geographically marginal when it comes to shipping its dairy products to the North Shore, but it is not so geographically marginal that it cannot ship its unprocessed wood products across the St. Lawrence River up the Saguenay River to Port Alfred, or to numerous international ports in order to make newsprint. In fact, a good deal of the entire port system of Eastern Quebec is a consequence of the exploitation of the region's forests by private capital:

"Plusieurs ports de moindre envergure sont aussi tournés, presque exclusivement vers l'importation de produits pétroliers ou encore vers l'activité des pêches. Ces petits ports servent à la desserte locale alors que les gros ports profitent d'un avantage géographique pour exporter sur les marchés américains, et européens. Souvent ces gros ports sont liés à l'existence de grandes compagnies facilement identifiables. C'est le cas de la Gaspésie Copper Mines Ltd. à Sandy Beach, de la Gaspésie Pulp and Paper à Chandler, de la F.F. Soucy à Rivière-du Loup, de la CIP et la Eastern Sea Food à Matane." (OPDQ 3, 1978, 120).

Directed by international capital, the region's forestry industry was oriented to export, with a minimum of local transformation being carried out on the wood products. Instead of performing further transformations on the resource in local industries (located near the resource), it was thought to be more "rational" and "economic" if the resources were worked on in some distant land. The development of outward oriented transportation linkages resulting from the exploitation of Eastern Quebec's primary resources by international capital had a negative effect on the development of an efficient intra-regional transportation network.

The exploitation of the region's forests and the associated outward oriented transportation system blocked the development of intra-regional commercial agriculture. Forestry and subsistence agricultures were symbiotic activities. Many forestry workers and their families farmed nearby land in order to subsist. In this way, the forestry industry could keep workers at below subsistence level wages. Once locked in to the subsistence/forestry circle the farmer/worker had to return to lumbering to obtain the necessary capital required to maintain his subsistence farming activities. The usual City-Hinterland interactive model, where the centre urban market interacts with the surrounding agricultural areas, was blocked by the forestry industry. This fact contributed to intra-regional geographical marginality.

Except for a few pre-conquest settlements, Eastern Quebec's development was a direct consequence of private capital's exploitation of the region's forests and not the result of the Catholic, French-Canadian's love of agriculture. Writing about the agricultural colonization of Eastern Quebec, Victor-Levy Beaulieu states:

"On ne peut pas ne pas admirer le courage dérisoire de ces gens. Mais de là à dire qu'ils étaient colons par patriotisme et par catholicisme, il y a une marge qui fut trop souvent franchie. La vérité est plus prosaïque: on était colon parce qu'on n'avait pas le choix. On était colon parce qu'on était illettré, parce qu'on avait pas une toquenne pour quitter l'arrière-pays." (Beaulieu, 1977:23-24).

Describing the origins of the region's villages Beaulieu continues to write:

"...Quand un nouveau village s'ouvrait dans les Pays d'en Bas, c'était directement dû à la création ou l'expansion que prenait tout à coup une grande société forestière. C'est ainsi que Saint-Jean-de-Dieu a été fondée, c'est ainsi que Rimouski, les Trois-Pistoles et

la vallée de la Matapédia prirent rapidement un grand essor. Dans la majorité des cas, cette prospérité relative durait cinq, six, sept, ou dix ans. Après, c'était la dégringolade: le bois de la région, coupé le moulin fermait ses portes, la société déménageait ailleurs." (Beaulieu, 1974:29).

When Dugas writes:

"La marginalité géographique du territoire est incontestable, surtout si on le considère par rapport aux grands pôles de développement. De plus, les dimensions énormes de la région et la dispersion de sa population font qu'il y a de réels problèmes de distance entre les diverses agglomérations de population... . Les grandes distances empêchent l'unité économique et sociale du territoire. ...Du fait des grandes distances à parcourir, les localités éloignées des principaux centres deviennent marginales géographiquement par rapport à ces derniers" (Dugas, 1975:285-286).

He is emphasizing the importance of physical distance in geographic marginality. We cannot agree with this. The problems of physical distance are a consequence of an inadequate transportation infrastructure. The intra-regional and inter-regional weakness of the transportation infrastructure is the result of the movement of private capital in the exploitation of the region, and of the State's attempts to meet the "objective" needs of powerful capital interests. Low return on investment areas find themselves competing unsuccessfully with high return on investment areas for a limited amount of government transportation funds. Developing a transportation infrastructure in a region which promises a good return on capital investment, to the detriment of other regions, is seen as a rational response to the demands of the market. It is our contention that a region's geographic marginality is more a reflection of the region's "role" in the overall process of capital accumulation than a reflection of physical distance.

3. Economic Marginality

Economic marginality refers to the absence of the economic requisites to dynamic growth. Of course, dynamic growth must be interpreted as capitalist growth. It is the dynamics of capital accumulation within a given historical context and their spatial particularities that will determine the framework of economic marginality.

Any regional economic factors that consistently limit capital accumulation, relative to other regions, are singled out as the causes of economic marginality. In keeping with Myrdal's notion of circular causation, the factor responsible for economic marginality must also be viewed as, to some extent, the consequence of this marginality. Hence, low levels of capitalization, the absence of economies of scale, low levels of technology and poor farming practices, unfavourable competitive position, and low levels of return on investments are all circularly linked as the cause and effects of economic marginality. It will be remembered that in the BAEQ and OPDQ reports these factors were all seen as consequences of non-economic farming (often equated with "traditional" farming).

Economic farming is characterized by highly capital intensive inputs and well developed international markets. The farmer is caught in a "cost-price squeeze" between the economic powers that control his inputs and those that control his outputs. The effective purchasing power of the farmer's products (relative to the inputs he can buy) is continually being eroded⁽³⁾. With profits per unit produced constantly decreasing, or even disappearing, the only way he can stay in production is to substantially increase the number of units produced. To increase the volume of production, the farmer must increase his use of machinery, intro-

Figure 4.2

duce higher yielding seeds, increase the amount of fertilizer used, increase the use of herbicides and pesticides in order to counter nature's reaction to such intensive farming, and increase the scale of land reclamation and irrigation projects. This increased dependency on capital inputs only further binds the farmer to the monopoly concerns that produce his inputs.

Through greater use of the above mentioned inputs, food productivity is increased while also increasing the debt burden of the farmer, which in turn serves to further alienate the farmer from the means of production⁽⁴⁾. Though the farmer might appear to have the deed to his farm, it is, in reality, the lending institutions to whom he owes mortgage payments who control the land. The farmer and his family are becoming, effectively, proletariats on their own land, working for the monopolies providing his inputs, and for those controlling his outputs, and for the lending institutions. For marginal agricultural areas, this "cost-price squeeze" is utterly without mercy (see Figure 2).

Economic farming, though it obviously does meet human needs, is primarily directed by the needs of the market. A market which is increasingly being controlled by large concerns; the State, farm co-operatives, agri-business monopolies. The direction that agriculture takes is, in part, based on the need to feed a growing population, but to a greater extent, it is based on the drive for greater surplus value appropriation by the upstream and downstream capitalists. It is this fact that animates the capitalist ideology surrounding agricultural modernization.

"Les recherches scientifiques dans le domaine agraire financées par le gouvernement et les grosses compagnies, ont mis au point de nouvelles méthodes d'élevage... Ces découvertes multiplient les rende-

ments agricoles, font naître de nouvelles espèces animales et végétales, mettent en circulation des marchandises dont la diversité ne peut qu'accroître les profits. Enfin, nous sentons bien que ces découvertes vont tout à fait dans les sens de l'idéologie capitaliste du 'développement' et qu'elles n'ont qu'un but: l'exploitation maximale de la nature pour la recherche du profit." (Lessard, 1976:32).

Regions that do not possess the economic structure to survive in the above framework become economically marginal. Can all regions adopt to the economic realities of commercial agriculture? According to Beattie et al, "the substantial capital requirements of commercial farming simply cannot be met in the marginal regions". Unable to accumulate enough capital because of the existing socio-economic and bio-physical limitations that impeded high-volume output, the farmer in the marginal region is trapped in a vicious circle, unable to purchase the capital requirement needed to increase productivity.

Increased mechanization, along with other capital inputs, requires a definite land-use pattern; large tracts of rather homogeneous crop land. Marginal areas, such as Eastern Quebec, are characterized by the preponderance of small farms. Economies of scale cannot be realized on such farms.

Land consolidation, as we saw in Chapter 1, was the cornerstone of agricultural development strategies in Eastern Quebec. Land consolidation would permit a high capital component per farm thus increasing its output and competitiveness. The average size of farms has indeed been growing at all spatial levels within Canada. However, there are significant differences in the rates of growth of the average farm size between the different levels of the spatial hierarchy (national average, provincial average, and regional average), as well as significant inter-regional differences in the growth rates within the same spatial level.

Uneven Spatial Development and Agricultural Marginality

From all that has just preceded, we can say that marginal regions are less able, relative to other regions, to resolve the contradictions (see Figure 2) arising from agricultural production in a capitalist system. Why then are some regions less able than others? Is there some internal characteristic which impedes agricultural development, or is the problem external? Seguin (1970), in his study of the history of agriculture in Quebec from 1760 to 1850, tends to view international market conditions and the British conquest as the major forces responsible for the rise of subsistence agriculture. Beaulieu (1977) argues that French Canadians were never farmers, and that there was never a long tradition of good farming, especially in Eastern Quebec.

Does the pattern of uneven development reflect inter-regional disparities in either the physical resource base in the particular form of spatial organization, in economic infrastructure, or in the social structure of the farming population? Clearly all these factors reflect aspects of uneven development but do any have causal primacy? We ask this question because, very often, much of Eastern Quebec's uneven development was attributed to an excess of human activity in agriculture, relative to the capacities of the region's bio-physical potential. Given that the bio-physical environment is to a large extent a "natural" given, it is easy to see why some would tend to give it primacy over all the other factors.

Putting aside any permanent transformation in the bio-physical environment as a result of direct human action, I feel

that the land resource base sets the stage for agricultural production. A given stage, however, can produce a multitude of agricultural scenarios, each one depending on the particular historical conjuncture of social, economic and political forces. Land may be put into, taken out of, production for reasons that have little to do with bio-physical realities.

In order to get some understanding of the extent of Eastern Quebec's peripheral status, and of the BAEQ and OPDQ's attempts to rectify the region's marginality, we will narrow our concern to certain questions of uneven agricultural development. This restriction is based on the importance of agriculture in the region's existence. There are two questions which we feel are relevant:

1. How uneven, with respect to the rest of the province, has agricultural development been?
2. Does the spatial unevenness in the distribution of the economic, social and geographic factors of agricultural production parallel the uneven distribution of the physical resource base?

The extent of any uneven development in agriculture, as well as the correspondence between inter-regional differences in the various factors will be analyzed for the period 1951-1961-1971, in two inter-related ways:⁽⁵⁾

1. Proportional Share Analysis;
2. Provincial-Regional discrepancies.

Proportional Share

This type of analysis examines the relationship of the part to the whole. The definition of what constitutes the "part" and "the whole" is fluid. The definition pre-supposes some geopolitical conception of the part's role in the whole. Remembering that spatial reality is a multi-layered reality built about a given local core territory, the core then will reflect the geopolitical imperative for locally oriented and locally controlled development strategies. For every choice of core territory, there will be a different (though not necessarily) multi-layered spatial reality built around it. The core territory then becomes the reference frame within which its inhabitants can evaluate the social, economic and political events taking place at higher spatial scales.

In Bottom-Up development, the socio-economic, and political goals of the whole must be a synthesis of the different development goals of the parts. In Top-Down development, local development goals take a back seat to national priorities. Top-Down development sacrifices local autonomy for the good of the whole, and the parts become incomplete entities in the spatial division of production.

This conception of Top-Down development is the point of departure of Perloff's study of share analysis (Perloff et al, 1960).

"Each part of the country plays a more or less specialized role in the total; it produces and consumes a qualitatively unique share. One part may have basically a "breadbasket" function; another may be a 'heavy manufacturing' zone; and a third may have a 'playground' function." (Perloff et al, 1960:66).

In the Perloff et al conception of spatial development, each region contributes to the aggregate socio-economic reproduction of the "country". The process of socio-economic repro-

duction is seen as a national process, with the responsibility of guaranteeing its success vested in the Nation-State.

In share analysis one simply calculates the region's share in the aggregate socio-economic reproduction process. The term share can be interpreted in a diverse number of ways:

- in a demographic sense; the region's share of the total population, of the total active work force, of births, of deaths, etc.
- in an economic sense; the region's share of the total productivity (by sector), of the total retail sales, of the total wholesale sales, of the total income, etc.
- in a social sense; the region's share of the total health services, of the total educational services, of the total unemployment, etc.
- in terms of transportation, communication, and energy infrastructures.

It is obvious that there will not be equality between the regions as regards their shares of the totals. In fact, it is difficult to conceive of equality. This kind of inequality, however, is not the uneven development to which we have been referring. A region's share of the totals will itself be a function of the region's "size". Uneven development, in our view, is reflected in a region's disproportionate share of the totals. Equitable growth, as a fundamental principal of spatial development, requires that all of a region's shares, of the various totals, be as close to each other as possible and that they reflect the region's share of human resources; population, active work force, or some similar variable.

Agricultural activity, however, requires a slightly different interpretation of proportional share. Each region's share of land resource base is, barring any re-definition of the region's boundaries or any permanent transformation of the region's bio-physical environment, a fixed parameter. A region's share of the total agricultural base cannot be tied to the human resource base, though the contrary is possible. In addition, the various facets of the aggregate socio-economic reproduction of agricultural life depends on the fixed agricultural resource base. Hence, we might expect that a region's share of the provincial agricultural totals will somehow reflect, at the worst, its share of the total agricultural resource base.

In our share analysis of agriculture, we looked at two types of totals: fixed and variable. The analysis was carried out at two spatial levels:

1. At the regional level of Eastern Quebec; Eastern Quebec is the geographic "whole" while its constituent counties are the parts;
2. At the provincial level; Eastern Quebec becomes one of the parts.

Unfortunately I was unable to extend the share analysis of the Canadian or international levels.

The results of this analysis are given in Table 1, and shown geographically in figures 3 - 12. From the results, we see that there had been a steady decrease in the region's share of the total population, total rural and total rural farm population. The rural farm population share dropped faster than the rural population.

	Land	Class (1,2,3,4)	Class 1 Equiv.	Soil-Climatic	Population	Rural Population	Rural Farm Population	Farms	Improved Land	Unimproved Land	Revenue	Expenditures	Net Earnings	Capital	Date
BONAVENTURE.....	24.13	20.95	22.27	23.36	13.56 12.74 13.34	17.31 18.65 11.11	17.76 14.28 11.11	17.48 14.62 11.38	12.71 10.23 7.69	10.09 10.87 12.43	11.33 8.64 6.26	13.34 8.02 6.81	8.85 9.16 5.82	17.22 12.13 9.30	4.10 2.13 4.47
GASPE-EST.....	14.32	7.34	7.99	5.59	12.35 12.26 13.35	14.07 14.53 11.11	14.29 5.62 11.11	14.08 5.13 3.15	4.89 1.73 1.14	4.54 5.13 8.54	4.89 1.50 1.17	4.99 1.72 1.06	4.76 1.31 1.26	6.89 3.53 2.37	1.89 .65 .27
GASPE-OUEST.....	13.41	1.66	1.65	1.15	4.98 6.09 6.00	5.66 5.12 2.13	3.62 2.90 2.13	3.70 3.00 2.13	2.96 2.26 1.46	24.53 11.23 13.81	4.73 1.59 .84	2.16 1.47 .97	7.89 1.69 .73	2.04 2.94 1.84	1.12 2.23 2.98
LAFLOURASKA.....	6.33	11.16	9.77	12.30	8.79 8.05 8.40	9.16 8.81 2.13	8.53 10.72 2.13	9.65 11.44 14.44	12.09 12.31 13.86	28.64 3.09 4.36	13.39 16.36 18.58	15.99 19.21 21.02	10.20 13.98 16.61	13.12 14.05 16.87	15.58 19.15 17.65
MATANE.....	9.95	8.47	8.77	7.36	9.97 10.40 9.68	8.88 9.28 8.40	8.40 8.84 8.22	7.68 8.56 8.22	9.55 10.41 9.88	4.87 18.99 22.73	8.20 7.35 8.42	7.79 7.54 8.32	8.70 7.18 8.51	5.97 8.22 9.05	15.14 13.67 9.64
MATAPELIA.....	10.68	18.58	21.11	17.72	11.19 10.55 8.59	10.47 10.52 12.88	13.02 13.83 12.88	11.91 13.84 12.88	12.92 13.83 14.28	7.68 .32 .41	11.72 12.97 13.50	13.50 13.93 12.92	9.54 12.17 13.96	9.38 11.73 12.20	17.76 16.53 12.69
RIMOUSKI.....	12.74	13.89	13.44	14.10	17.55 19.36 20.56	14.55 14.61 19.92	14.01 17.70 19.92	14.89 17.19 19.92	18.36 19.59 20.95	8.43 11.96 12.83	19.05 20.61 20.64	17.58 19.01 18.74	20.87 21.94 22.19	19.50 19.17 19.62	16.71 21.16 22.84
RIVIERE-DU-LOUP...	4.41	10.17	8.62	10.85	12.32 11.93 12.64	10.27 10.02 12.64	10.28 13.99 18.25	11.84 14.39 18.25	17.35 19.09 21.28	5.16 5.54 4.87	18.08 21.70 23.35	16.02 20.92 23.84	20.62 22.36 22.95	19.07 18.94 20.52	18.18 19.72 22.24
TEMISCOUATA.....	7.02	7.78	6.37	7.58	9.29 8.62 7.42	9.63 8.46 12.12	10.09 11.82 9.63	8.76 11.82 9.63	9.17 10.55 9.47	6.11 16.10 12.35	8.61 9.29 7.24	8.63 8.18 6.33	8.58 10.21 7.98	6.81 9.29 8.24	9.31 6.77 7.02

Eastern Quebec's share vis-à-vis the province

EASTERN QUEBEC....	3.13	12.02	12.48	9.02	7.50 6.46 5.20	17.86 16.73 12.33	19.26 13.66 12.33	15.20 11.41 11.38	11.40 19.50 17.52	9.26 7.44 18.40	8.76 7.44 6.06	7.89 6.61 5.76	10.14 8.32 6.33	11.58 10.06 8.06	6.70 7.48 10.43
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Table 4.1

Figure 4

BONAVENTURE

SHARE OF THE REGIONAL TOTALS

Figure 5

GASPE - EST

SHARE OF THE REGIONAL TOTALS

Figure 6

GASPE - OUEST

SHARE OF THE REGIONAL TOTALS

Figure 7

KANOURASKA

SHARE OF THE REGIONAL TOTALS

Figure 8

MATANE

SHARE OF THE REGIONAL TOTALS

Figure 9

MATAPEDIA

SHARE OF THE REGIONAL TOTALS

Figure 10

RIMOUSKI

SHARE OF THE REGIONAL TOTALS

Figure 11

RIVIERE-DU-LOUP

SHARE OF THE REGIONAL TOTALS

Figure 12

TEMISCOUATA

SHARE OF THE REGIONAL TOTALS

As was to be expected from all the government efforts, there was significant farm consolidation. This is born out by the fact that the region's share of the total land under crops, or pasture remained fairly constant while the share in the number of farms decreased. The development strategy of farm consolidation was showing results. Farm consolidation did not produce any improvements in the other factors. While farm consolidation was succeeding, there was, however, a constant erosion of the region's share of farm revenues, expenditures, capital and net earnings with a simultaneous increase in the region's share of the provincial agricultural credit.

How do these trends compare to the region's fixed share of the Soil-Climatic Resource? From 1951 to 1971 the region's share of the rural, and rural farm populations, and the number of farms, converged towards its share of the Soil-Climatic Resource. Whether there will be any long-term convergence is hard to say. During the same period, the region's share of the total population diverged from the region's share of the Soil-Climatic Resource. The percentage of improved land within the region remained stable and higher than the share of Soil-Climatic Resource. This fact is surely related to the importance of dairy farming, the major revenue earner in the region, and the need for pasture land.

From 1951 to 1971, the region's share of farm revenue, capital, expenditures and net earnings declined relative to its share of the Soil-Climatic Resource. In 1961, we see these regional shares fall below the region's share of the Soil-Climatic Resource.

At the Country-Regional level, one can observe an important spatial split had developed between Bonaventure at one end and Riviere-du-Loup at the other end. While Bonaventure's share of the Soil-Climatic Resource was over twice that of Riviere-du-Loup's, Bonaventure's share of the other variables was approximately one-third of Riviere-du-Loup's. In addition, there had been a constant erosion in Bonaventure's shares in revenue, capital, expenditures and net earnings relative to its share of Soil-Climatic Resource; Riviere-du-Loup had displayed the opposite behaviour. These widening disparities, as we shall see are due to the importance of the dairy industry (an activity less tied to the land resource base) and its spatial concentration around the Riviere-du-Loup area.

The preceding share analysis does not reveal if a region's increasing, or decreasing share of a given variable was due to an absolute regional increase (or decrease), an absolute provincial decrease (or increase), or both. It also does not reveal the internal structure of the shares: the actual distribution of the capital, revenue, etc. For example, in 1951 the region's share of capital exceeded its share of Soil Climatic Resource. However, if we examine the distribution of capital among the farms, we find a high preponderance of small farms with a small amount of capital.

Provincial-Regional Discrepancies

Whereas share analysis provided us with relative comparisons, in the present analysis we will compare absolute regional magnitudes. We will be comparing averages defined at the provincial level with averages defined at the regional level. The regional, and provincial averages in question are displayed in Tables 2 and 3.

Table 2

		1951	1961	1971
Land per Farm	Region	58	135	182
(acres per farm)	Prov.	78	127	150
Cultivated Land/Farm	Region	57	68	100
(acres per farm)	Prov.	76	81	99
Unimproved Land/Farm	Region	1	67	82
(acres per farm)	Prov.	2	47	51
Class(1 2 3 4)/Farm	Region	83	109	206
(acres per farm)	Prov.	106	123	193
Class 1 Equiv./Farm	Region	51	67	125
(acres per farm)	Prov.	62	73	114
Agro-Clim./Farm	Region	24	32	60
(acres per farm)	Prov.	41	48	75
Capital/Farm	Region	4934	12635	25476
(\$ Can. per farm)	Prov.	6476	17153	35961
Revenue/Farm	Region	1314	1718	4601
(\$ Can. per farm)	Prov.	2279	3153	3638
Expenditure/Farm	Region	726	782	2056
(\$ Can. per farm)	Prov.	1397	1618	4064
Net Earnings/Farm	Region	589	936	2545
(\$ Can. per farm)	Prov.	882	1536	4574
Debt/Farm	Region	339	148	363
(\$ Can. per farm)	Prov.	768	271	397
Capital/Farmland	Region	85	94	140
(\$ Can. per acre)	Prov.	83	134	240
Revenue/Farmland	Region	23	13	25
(\$ Can. per acre)	Prov.	29	25	58
Expenditure /Farmland	Region	13	6	11
(\$ Can. per acre)	Prov.	18	13	28
Net Earnings/Farmland	Region	10	7	14
(\$ Can. per acre)	Prov.	11	12	30
Debt/Farmland	Region	6	1	2
(\$ Can. per acre)	Prov.	10	2	3

(Based on the Canadian Census Data of 1951, 1961, and 1971)

Table 3

		1951	1961	1971
Capital/Improved Land	Region	87	187	254
(\$ Can. per acre)	Prov.	86	212	304
Revenue/Improved Land	Region	23	26	46
(\$ Can. per acre)	Prov.	30	39	87
Expen./Improved Land	Region	13	12	21
(\$ Can. per acre)	Prov.	19	20	41
Net Earnings/Imp. Land	Region	10	14	25
(\$ Can. per acre)	Prov.	12	19	46
Debt/Improved Land	Region	6	2	4
(\$ Can. per acre)	Prov.	10	3	4
Capital/Class 1 Equiv.	Region	96	190	204
(\$ Can. per acre)	Prov.	104	235	315
Revenue/Class 1 Equiv.	Region	26	26	37
(\$ Can. per acre)	Prov.	37	43	76
Expen./Class 1 Equiv.	Region	14	12	16
(\$ Can. per acre)	Prov.	22	22	36
Net Earn./Class 1 Equiv.	Region	12	14	20
(\$ Can. per acre)	Prov.	14	21	40
Debt/Class 1 Equiv.	Region	7	4	3
(\$ Can. per acre)	Prov.	12	4	4
Capital/Agro-Clim.	Region	202	398	427
(\$ Can. per acre)	Prov.	157	356	477
Revenue/Agro-Clim.	Region	54	54	77
(\$ Can. per acre)	Prov.	55	66	115
Expen./Agro-Clim	Region	30	25	35
(\$ Can. per acre)	Prov.	34	34	54
Net Earn./Agro-Clim.	Region	24	30	53
(\$ Can. per acre)	Prov.	21	32	61
Debt/Agro-Clim	Region	14	5	6
(\$ Can. per acre)	Prov.	19	6	5
Farmland/Inhabitant	Region	3.3	5.2	4.1
(acres per person)	Prov.	2.2	2.3	1.5
Improv. Land/Inhabitant	Region	3.2	2.6	2.2
(acres per person)	Prov.	2.1	1.5	1.0
Class 1 Equiv./Inhab.	Region	2.9	2.6	2.8
(acres per person)	Prov.	1.7	1.3	1.2
Agro-Clim./Inhabitant	Region	1.4	1.2	1.3
(acres per person)	Prov.	1.1	.9	.8

(Based on the Canadian Census data of 1951, 1961, and 1971)

As to be expected, the policy of land consolidation led to increases in the average Soil-Climatic Resource per farm. This increase was paralleled by increases in the total land area and improved land area per farm. Land consolidation also expanded the scale of agricultural operations at both the provincial and regional levels. At the regional level there was a 416% increase in capital per farm, a 250% increase in revenue per farm, 183% increase in expenditure per farm, and a 333% increase in net earnings per farm from 1951 to 1971.

These increases should not be taken at face value because they include the effects of inflation on the prices of the various inputs and outputs. This should not, however, affect the numerical values of inter-regional comparisons if we assume that the effects of inflation are homogenous in space. Of course, there could well be sectoral variations in the rate of inflation, and these variations could appear as spatial variations in the rate of inflation because of the spatial division of labour. Since we are comparing variables within the same sector, any inter-regional comparisons we make, in time, should reflect the actual evolution of the Regional-Provincial disparities in time. Has there been a convergence or divergence between the average provincial and regional farm? As we shall see, the strategy of land consolidation has not produced any convergence. We shall measure the extent of the Regional-Provincial disparity by the following simple ratio:

$$\begin{aligned} & \% \text{Region-Province} = \\ & \frac{\text{Provincial Average} - \text{Regional Average}}{\text{Provincial Average}} \times 100\% \end{aligned}$$

A value of zero for the Region-Province discrepancy simply means that the regional and provincial values are the same. A positive value means that the region is lagging behind the province. A negative value means that the province is lagging behind the region. The evolution from 1951 to 1971 of the Region-Province discrepancies in the per farm measures is given in Figure 15.

The distribution of the bio-climatic factors per farm at the regional level had been converging on the provincial values. In fact, the region has gained slightly. One would thus expect a parallel convergence in the capital, revenue, expenditures, and net earnings per farm ratios. The contrary took place.

Eastern Quebec has been falling behind the province. The region's increasing lag behind the province is also manifest in a variety of other ratios (See Figures 13, 14 and 16). This behaviour would seem to contradict the Region-Province convergence in the per farm distribution of the Soil-Climatic Resource. Once again, this phenomenon can be explained by the predominance of the dairy industry.

We can further illuminate this lack of correspondence if we calculate the correlation coefficients between the Soil-Climatic Resource and the other economic variables for the 65 geographical units in Quebec (64 counties plus Eastern Quebec), and for the 9 counties within Eastern Quebec. It also proves interesting to compute the correlation coefficient between capital investments and net revenues. This latter comparison will tell us something of the effects of capital intensification on net earnings in commercial farming.

Figure 14

Figure 15

REGION - PROVINCE DISCREPANCY

PER ACRE OF IMPROVED LAND RATIOS

Increased
Discrepancy In
Favour Of The
Province

Increased
Discrepancy In
Favour Of The
Region

- Figure 16

Table 4.4

Provincial Level

	1951	1961	1971
Soil-Climatic/ Capital	r = 0.15 (z = 1.19)	r = 0.37 (z = 2.96)	r = 0.29 (z = 2.33)
Soil-Climatic/Net Earnings	r = 0.07 (z = 0.57)	r = 0.16 (z = 1.30)	r = -0.08 (z = -0.60)
Capital/ Net Earnings	r = 0.57 (z = 4.60)	r = 0.51 (z = 4.07)	r = 0.62 (z = 4.98)

Regional Level

Soil-Climatic/ Capital	r = 0.46 (t = 1.36)	r = -0.28 (t = -0.78)	r = -0.57 (t = -1.86)
Soil-Climatic/Net Earnings	r = -0.36 (t = -1.02)	r = -0.18 (t = -0.47)	r = -0.45 (t = -1.34)
Capital/ Net Earnings	r = 0.28 (t = 0.77)	r = 0.87 (t = 4.77)	r = 0.85 (t = 4.22)

r is the correlation coefficient

z is the statistic used to test the hypothesis when the sample size is sufficiently large ($n \geq 25$)

t is the statistic used to test the hypothesis when the sample size is "small" ($n < 25$)

The results presented in Table 4 bring out, quite clearly, the peculiar, if not irrational, relationship between a country's agricultural potential (as measured by the Soil-Climatic Resource) and the two economic variables, total farm revenues, and capital: a weak correlation at the provincial level, and a negative correlation at the regional level. In the face of this evidence, it would seem that economic success in agriculture had little to do with any bio-physical marginality. Put differently, bio-physical marginality could not alone be used to explain away economic marginality in agriculture.

We can make better sense of the results in Table 4 if we examine the commodity by commodity structure of agricultural production in Eastern Quebec, and in Quebec. Since 1951 four commodities have dominated agricultural production: milk, pigs, chickens and eggs. In the years 1951, 1961 and 1971 these four commodities commanded 55.2%, 67.8% and 68% of Eastern Quebec's total farm revenues respectively, while at the provincial level, these same commodities accounted for 47.2%, 66.8% and 69.1% of the total farm revenues. One commodity stands out as a revenue generator; milk. Within Eastern Quebec, the share of the total farm revenue due to dairy production had grown steadily from 31.4% to 47.2% and 53.6% in 1951, 1961 and 1971 respectively.

These agricultural specializations referred to above can be interpreted as attempts to produce for a competitive capitalist market while simultaneously trying to minimize the role of the Soil-Climatic Resource base in the generation of farm revenue. This state of affairs is not a recent phenomenon. It started to appear after the rise and fall of Quebec's first market oriented crop: wheat.

"The wheat trade made significant progress in the period up to 1774 where grain exports reached a level almost as high as annual production during the best years of the French regime. The 1780's were years of frequent crop failure and poor market conditions, but during the last decade of the century Quebec agriculture enjoyed a new height of prosperity, thanks to the growing level of production which found a profitable market in Britain at the high imperial prices then prevailing." (McCaulum, 1980:26).

From the outset, a good deal of Quebec's agricultural production energies went into meeting the needs of a capitalist market system that existed, and operated at higher spatial scales. Worsening external market conditions, a local market unable to absorb existing wheat production (which is not to say that Quebec did not need the wheat but rather that the province could not economically absorb the wheat at the new prices), increasing competition from the West and Ontario, and the growing impoverishment of the soil led to a crisis in the province's agricultural sector. This crisis provoked the rise of subsistence farming and an important withdrawal of Quebec farmers from the market system.

"La pomme de terre, la sarrasin, le pois, i.e. des denrées de consommation locale,* remplacèrent le blé, denrée impériale." (Hamelin, 1971:192).

A particular conjuncture of political, economic and social forces at higher spatial scales created new market conditions which, in turn, had a dramatic impact on the development of agriculture at the provincial and sub-provincial level.

"L'expansion économique, qui suit aux Etats-Unis la guerre du Mexique, la ruée vers l'or de la Californie et la colonisation de l'Ouest ouvre le marché de la Nouvelle-Angleterre aux producteurs québécois. ...L'ouverture de marché américain coïncide avec la mise en service en 1850 d'un chemin de fer qui relie Montréal à New-York et à Portland. Le traité de Récipro-

cit (1854-1866), puis la guerre civile amricaine accentuent les pressions du march amricain d'autant plus que la construction du Grant Tronc intgre davantage l'conomie amricaine. ...En outre, la forte demande de produits agricoles dclenche un mouvement de colonisation la grandeur du Qubec." (Hamelin, 1971:-193).

Just as one historical conjuncture of socio-economic and political forces occuring beyond the territory of Quebec had opened up new markets, a new conjuncture closed them just as quickly. With the expiry of the Reciprocity Agreement, Ontarian, and Manitoban agricultural goods were re-routed to the Montreal market. This put Quebec farmers in direct competition with non-Quebec farmers for the markets within Quebec.

The national and international crisis of 1873-1879 left the Quebec farmer with only two choices: give up the land, or quickly find an alternate use for the land and capital that had been built up in the preceding prosperous period. Many proposals were made to re-orientate Quebec's agriculture (at one point beet sugar was seen as a viable alternative) but dairy production came out on top ⁽⁶⁾. In fact, the dairy industry became the symbol of commercial agriculture in Quebec. This choice was not dictated by Quebec's internal food needs. Rather, it was "imposed" by the logic of the capitalist market system's pricing mechanisms. Eastern Quebec has found itself in a similar situation.

The preceding historical digression goes a long way in explaining the lack of congruence between the spatial distribution of the Soil-Climatic Resource on the one hand, and the spatial distribution of the various agricultural economic variables. Furthermore, the spatial distribution of dairy production within Eastern Quebec is uneven, and this unevenness does not reflect the uneven distribution of the

bio-physical conditions. Dairy production is concentrated along the Kamouraska - Riviere-du-Loup axis. From 1951 to 1971, 60% of the region's milk came from this axis.

Now we can understand why Riviere-du-Loup has been gaining an increasing share of the region's rural farm population, farm capital, and net farm earnings; a share that goes far beyond its share of the Soil-Climatic Resource. Bonaventure has exhibited the opposite behaviour. The growing spatial disparity in agricultural development parallels the spatial disparity in dairy production.

The spatial concentration of dairy farming has led to a spatial concentration in revenue. It could be argued that this concentration is due to favourable centre-hinterland relations existing between the rural areas, and the relatively populated urban centres along the Kamouraska/Riviere-du-Loup/Rimouski axis. This axis possesses the only regional service centre, and the most important sub-regional service centre (Riviere-du-Loup). If we accept this explanation then we are faced with an important contradiction in both the BAEQ and OPDQ plans: both strategies advocated that Eastern Quebec becomes a major provincial supplier of industrial milk. If Eastern Quebec's marginality (geographic included) could be overcome, in order that Eastern Quebec could supply the provinces urban centres with industrial milk, then why couldn't Bonaventure's, Eastern and Western Gaspé's marginality vis-a-vis the Kamouraska/Riviere-du-Loup/Rimouski axis also be overcome?

The above facts suggest a more general issue concerning the spatial consequences of capitalist economic growth. Does the elimination of inter-regional disparities demand the growth of intra-regional disparities at the sub-regional

level? I would answer this question in the affirmative. After all, this is the fundamental premise that underlies the "polarization view of development". Regardless of the spatial scale, the advocates of "polarized" development argue that initial concentrations of the factors of production are needed at the sub-regional level in order to promote dynamic growth. In time, it is argued, there will be a convergence between sub-regional units as growth "takes-off". This view was common currency in international development until many noticed that the polarization within Third World countries was worsening without producing any convergence at the international level.

What can we say about the other agricultural land uses, i.e. production that involves the soil directly, and their relation to the spatial distribution of the Soil-Climatic Resource? Let us consider the area of land devoted to a representative cross section of crops for the years 1951, 1961 and 1971 (See Table 5). Except for wheat, Riviere-du-Loup, relative to Bonaventure, had a much higher share of regional land devoted to the above-mentioned field crops, and this share was far in excess of Riviere-du-Loup's share of the total regional Soil-Climatic Resource. The above results reinforce our previous conclusions that the "natural" disparity in Soil-Climatic Resource, which favours Bonaventure, remains constant in time while the disparities in agricultural activity between Bonaventure and Riviere-du-Loup have been constantly increasing in Riviere-du-Loup's favour.

At the inter-regional level, Eastern Quebec, with only 9% of the provincial Soil-Climatic Resource, has been receiving smaller and smaller shares of the provincial farm revenues, capital and net earnings. In Figure 15, we see how the

Table 5

County Share Of The Total Regional Acreage, As Well As The Regional Share Of The Total Provincial Acreage, In Selected Crops

		Wheat	Oats For Grain	Corn Grain	Vegetables	Tame Hay	Corn Fodder, Ensilage
Bonaventure	1951	24.3%	14.2%	0.0%	14.8%	12.4%	2.7%
	1961	20.0%	9.7%	1.8%	14.9%	9.5%	7.5%
	1971	18.2%	8.5%	0.0%	11.3%	6.9%	2.2%
Gaspé-Est	1951	2.0%	3.1%	0.0%	12.9%	5.5%	4.5%
	1961	4.8%	0.9%	0.0%	20.0%	2.0%	12.3%
	1971	0.2%	0.5%	0.0%	10.9%	1.1%	0.0%
Gaspé-Ouest	1951	3.9%	3.1%	0.0%	3.8%	2.9%	0.0%
	1961	3.8%	1.9%	7.3%	11.9%	2.1%	0.0%
	1971	1.3%	1.1%	3.6%	10.4%	1.3%	0.0%
Kamouraska	1951	15.5%	12.4%	35.2%	9.1%	12.6%	44.5%
	1961	16.2%	13.2%	33.9%	7.6%	12.5%	35.7%
	1971	8.8%	15.0%	38.2%	8.0%	14.4%	35.1%
Matane	1951	12.8%	10.2%	7.4%	15.8%	9.0%	1.4%
	1961	11.5%	11.4%	0.5%	11.9%	9.8%	4.5%
	1971	17.4%	9.9%	0.0%	7.9%	9.4%	0.8%
Matapédia	1951	8.2%	11.2%	0.0%	5.6%	12.6%	5.4%
	1961	7.2%	12.2%	25.2%	4.1%	13.8%	1.0%
	1971	10.8%	11.2%	0.0%	3.6%	14.9%	0.2%
Rimouski	1951	21.2%	20.3%	9.3%	23.2%	17.1%	8.2%
	1961	17.4%	21.0%	3.7%	24.5%	19.1%	14.9%
	1971	22.9%	21.0%	17.9%	28.2%	21.4%	13.2%
Rivière-du-Loup	1951	6.4%	18.7%	29.6%	9.5%	18.1%	24.8%
	1961	10.8%	21.7%	21.6%	4.6%	19.1%	15.8%
	1971	9.8%	24.8%	33.0%	15.7%	21.0%	44.8%
Temiscouata	1951	5.6%	6.9%	18.5%	5.4%	9.9%	8.6%
	1961	8.4%	7.9%	6.0%	0.7%	12.1%	8.2%
	1971	10.7%	8.0%	7.1%	4.1%	9.6%	3.6%
Eastern Québec	1951	27.5%	13.5%	1.8%	1.4%	11.0%	0.7%
	1961	26.7%	12.5%	3.5%	0.7%	11.2%	1.7%
	1971	5.8%	12.1%	0.3%	0.7%	12.0%	1.3%

(Based on the Canadian Census Data for 1951, 1961, and 1971)

Table 6

Commodity's Share Of The Total Farm Revenue (At The County, Regional, And Provincial Level)

		Dairy	Pigs	Chickens & Eggs
Bonaventure	1951	20.9%	8.3%	9.6%
	1961	37.2%	6.4%	8.5%
	1971	36.1%	5.8%	7.0%
Gaspé-Est	1951	8.6%	3.3%	3.2%
	1961	36.4%	4.4%	8.0%
	1971	16.5%	2.6%	20.6%
Gaspé-Ouest	1951	21.3%	10.4%	5.3%
	1961	6.9%	7.2%	8.4%
	1971	25.8%	4.4%	3.5%
Kamouraska	1951	36.3%	22.5%	3.2%
	1961	51.2%	25.4%	5.1%
	1971	58.5%	14.4%	2.0%
Matane	1951	21.0%	13.8%	4.8%
	1961	47.5%	13.3%	4.9%
	1971	57.4%	7.2%	6.5%
Matapédia	1951	53.4%	34.2%	7.1%
	1961	52.0%	14.3%	3.8%
	1971	54.0%	8.0%	6.3%
Rimouski	1951	31.2%	21.4%	4.6%
	1961	49.8%	14.4%	5.2%
	1971	58.3%	8.1%	2.6%
Rivière-du-Loup	1951	35.0%	22.6%	3.8%
	1961	47.0%	19.0%	1.9%
	1971	51.7%	17.0%	1.6%
Temiscouata	1951	41.5%	25.4%	8.6%
	1961	45.6%	10.7%	6.6%
	1971	56.0%	5.5%	3.5%
Eastern Québec	1951	31.4%	18.6%	5.2%
	1961	47.2%	15.8%	4.8%
	1971	53.6%	10.8%	3.6%
Québec	1951	27.4%	13.9%	5.9%
	1961	44.4%	12.4%	10.0%
	1971	45.5%	12.0%	11.6%

(Based on the Canadian Census Data for 1951, 1961, and 1971)

Regional-Provincial disparities in revenue, capital and net earnings per farm had continued to increase from 1951 to 1971 while the disparities in the Soil-Climatic Resource per farm had decreased in this same period.

From Table 7, we see that Eastern Quebec's shares of the key revenue generating commodities - dairy, pigs, chickens and eggs - had remained from 1951 to 1971, below the 9% level. Furthermore, from 1951 to 1971 there was a consistent decrease in Eastern Quebec's share of the provincial revenues in the above-mentioned agricultural commodities.

The strategy of land consolidation and increased capital intensification had proved ineffective in reducing the disparities in agricultural activity that exist between Eastern Quebec and the province. In addition, there seemed to be widening spatial disparities in agricultural activities within Eastern Quebec itself. Furthermore, these widening disparities could no longer be primarily attributed to the existing spatial disparities in the distribution of the agricultural resource base.

Though our analysis only covered the years 1951 - 1971, the years pre-dating the OPDQ strategy, we nevertheless believe that no substantial changes are likely to come about from the OPDQ strategy. The dairy industry, the pivotal point about which Eastern Quebec's and Quebec's agricultural development hinges, is under-going a crisis of excess capacity, or underconsumption. This crisis of excess capacity is magnified by the federal milk quota system, which limits Quebec to 48% of the Canadian market. Unable to increase provincial consumption of dairy products the Minister of Agriculture, Jean Garon, has called for greater consolidation in the dairy industry:

Table 7

County Share Of The Regional Total For Selected Commodities, Along With
The Regional Share Of The Provincial Total

		Dairy	Pigs	Chickens	Eggs
Bonaventure	1951	8.6%	5.7%	23.6%	-----
	1961	6.8%	3.5%	8.2%	18.5%
	1971	4.2%	3.4%	7.6%	13.9%
Gaspé-Est	1951	1.5%	1.0%	3.4%	-----
	1961	1.1%	0.4%	0.6%	3.3%
	1971	0.4%	0.3%	0.9%	9.0%
Gaspé-Ouest	1951	1.1%	0.9%	1.7%	-----
	1961	0.2%	0.7%	0.8%	3.7%
	1971	0.4%	0.3%	0.0%	1.1%
Kamouraska	1951	17.6%	18.4%	9.4%	-----
	1961	17.8%	26.4%	27.3%	13.4%
	1971	20.3%	24.3%	6.6%	11.3%
Matane	1951	6.2%	6.9%	8.5%	-----
	1961	7.4%	6.2%	5.9%	8.3%
	1971	9.0%	5.7%	8.0%	17.9%
Matapédia	1951	13.2%	14.1%	10.4%	-----
	1961	14.3%	11.8%	8.8%	10.8%
	1971	13.6%	10.1%	58.6%	9.8%
Rimouski	1951	21.5%	20.2%	19.2%	-----
	1961	21.7%	18.7%	25.6%	20.9%
	1971	22.4%	15.5%	5.5%	18.2%
Rivière-du-Loup	1951	22.9%	25.0%	14.7%	-----
	1961	21.6%	26.1%	10.3%	8.2%
	1971	22.5%	36.8%	10.7%	9.8%
Temiscouata	1951	7.5%	7.7%	9.2%	-----
	1961	9.0%	6.3%	12.5%	12.8%
	1971	7.6%	3.7%	2.0%	9.1%
Eastern Québec	1951	7.2%	8.4%	5.5%	-----
	1961	8.0%	9.5%	2.0%	5.5%
	1971	7.1%	5.4%	0.8%	4.5%

(Based on data drawn from the Canadian Census: 1951, 1961, and 1971)

"Selon le titulaire du ministère de l'Agriculture, des pêcheries et de l'alimentation (MAPA), l'industrie laitière pour se développer, devra être consolidée à tous les niveaux, les producteurs devront être plus efficaces, et les usines devront diversifier, leurs produits, la commercialisation et leurs marchés." (Le Devoir, 11 March, 1980).

This proposed consolidation is bound to accentuate the disparities between Eastern Quebec and the province as a whole, as well as the internal disparities within Eastern Quebec.

CHAPTER FIVE

From 1951 to 1971, Eastern Quebec's status as a lagging region within the Quebec spatial economy remained fundamentally unchanged: considerably lower disposable income per capita than the provincial average, chronic underemployment and structural unemployment, a continued high dependence on government transfer payments, inadequate social services, and the continued deterioration of the rural areas.

In Chapter 4, where I examined the agricultural sector in some detail, I found that even with substantial farm consolidation the regional-provincial disparities in agricultural activities increased. Furthermore, all attempts to increase Eastern Quebec's share of provincial farm revenues, capital, and net earnings had, from 1951 to 1971, only resulted in increased intra-regional disparities without any decreases in regional-provincial disparities.

In Chapters 1 and 2, we outlined the key elements of two regional development strategies aimed at lifting the region out of its depressed state. Our main interest in these two studies was the conceptual framework underlying both the BAEQ and OPDQ studies. On the surface, the two studies differed, only insofar as they offered different approaches to regional development within the same mode of production, capitalism.

The persistence of regional poverty, and the inability to raise Eastern Quebec's socio-economic standing within the province raises some fundamental questions:

- Is Eastern Quebec's poor economic performance a result of poor regional planning, i.e. the inability to find the correct spatial allocation of land, capital, and labour that would optimize the region's growth?
- Are depressed regions a normal, if not acceptable (though regrettable), fact within our political economy? Should we accept the existence of depressed regions as we have come to accept the notion of "full employment". If so, is Eastern Quebec doomed to be such a region?
- Can the process of uneven regional development be reversed, eliminated, or even prevented within any capitalist economy?

"Liberal" and "conservative" regional planners will argue, from different perspectives, that solutions to uneven spatial development do exist within the capitalist paradigm. Both will argue that the problem does not lie in the system, but in our understanding and management of the capitalist market economy. We do not share this view. Our position will be that uneven spatial growth is an inherent element in the spatial unfolding of capitalism's internal contradictions. Economic crises and their spatial realization play a significant role in the dynamics of uneven spatial development. As a theoretical framework, marxian crisis theory offers a dynamic for understanding the plight of Eastern Quebec, and the dilemma the region faces in trying to promote locally oriented development within the realities of a Canadian, North American and international capitalist system.

In general terms, an economic crisis represents a drop in the growth of production and a slowing down of capital accumulation. Profit and the rate of profit are the fundamental variables regulating the expansion and contraction of capitalist production. A crisis, though arising from an impasse in the expansion of production, represents a severe disruption in the entire socio-economic functioning of capitalist society. In a system such as capitalism, where continued surplus production and accumulation require an ever expanding productive capacity, any curtailment in productivity will have serious repercussions in all spheres of human existence.

Are economic crises endogenous or exogenous to capitalist dynamics? Put differently: Is the aggregate socio-economic reproduction of a capitalist society capable of uninterrupted expansion? The classical view of a self-regulating system (one in constant equilibrium) capable of smooth, i.e. crisis-free, growth was forced to reconcile itself with the reality of recurring economic crises. The pre-Keynesian view of the business cycle, as a small perturbation to the growth curve, embodies this compromise. Instead of a smooth curve, economic expansion was characterized by cyclical self-equilibrium growth.

In the pre-Keynesian conception of capitalist dynamics perturbations are endogenous to growth. Due to the system's ability to maintain self-equilibrium, these perturbations are mild and short-lived. On this point Shaikh writes:

"Regular, non-violent fluctuations are internal to the system: contractions and expansions are part of the normal business cycle. Violent or prolonged expansions and contractions, however, arise from external factors originating in Nature and Human Nature, factors which

either turn a cycle into a crisis, or precipitate one entirely on their own. Crises, therefore, remain outside the normal process of capitalist reproduction." (Shaikh, 1978:221).

Any belief in the small order and short lived fluctuations of the business cycle view of capitalist expansion was shattered by the depression of the 1930's. Keynes attacked the classical paradigm, embodied in "Say's Equality", which states that depressions are not permanent "because supply creates its own demand on a micro and macro-economic level through automatic price and interest variations" (Blaug, 1978:159). Challenging the notion "...that a perfectly competitive economy always tends to full employment" (Blaug, 1978:159), "it was Keynes' contention that a perfectly competitive, 'mature' economy does not in fact tend automatically toward full employment" (Blaug, 1978:161). One could not guarantee that labour and the means of production would be utilized at their technically optimal level. What regulated the level of employment and output was, according to Keynes, the amount of capital investment. The level of capital investment was, itself, determined by the capitalist's perception of how great future profits would be. "Since 'expectations' are notoriously volatile, capitalist reproduction is likely to be quite erratic. ...There exists no automatic mechanism within capitalism which would make capitalists plan just the right amount of investment so as to assure full employment" (Shaikh, 1978:221).

With the absence of any internal mechanisms to guarantee uninterrupted economic expansion, the State moves in to fill the void and to play an integral role in the day to day regulation of the capitalist economy. The capitalist economy becomes like a highly complex machine that can

undergo severe disruptions if left to itself. However, under the State's watchful eye, these disruptions can be controlled without impeding long term expansion. "Not surprisingly, Keynesians tend to see the erratic and violent history of capitalist accumulation as a series of errors in 'policy'" (Shaikh, 1978:222).

A fundamental conclusion of Marx's analysis of capitalism was the long term impossibility of growth without crisis. For Marx, crisis arises from the very logic of capital accumulation. Capital becomes its own impediment to growth. In the capitalist production and circulation process, M-C-M, crises are inevitable and a necessary way of temporarily resolving the contradictions within capital, until the next crisis. At given historical moments, the productive forces become obstacles to further capital accumulation. Crises then become the brutal manner by which a society's productive forces are "rationalized" and structurally re-organized in order to permit capital accumulation to continue. Unlike the Keynesian view, which saw crises as manageable with no long term limitations to growth arising from within the system, Marx saw crises as the "momento mori" of capitalism.

There is an important ideological distinction to be made between the present day capitalist and marxist view of crisis, and its relation to the mode of production. The capitalists will argue that crises are inherent in any system, and that the capitalist system is best equipped to handle the problems of crisis resolution. This is a subtle, but nevertheless clear, example of how capitalist ideology adopts itself to history, and universalizes and eternalizes the present realities of capitalism. Mandel points out:

"Writers who conscientiously try to emphasize the advantages of the capitalist mode of production as the most progressive mode of production...have taken a step further and declared it impossible to conceive of any economy open to the benefits of technological progress or possessing a substantial stock of fixed capital which would not be subject to fluctuations. ...The choice is not between progress with or without fluctuations but rather between progress with fluctuations and complete stagnation." (Mandel, 1962:374).

Mandel concludes his critique of the above capitalist claim with:

"The fluctuations of production which entail fluctuations in income and consumption, through over production of commodities, and which thus imply periodical unemployment and poverty, are peculiar to capitalism. They did not exist before capitalism, and they will not survive it." (Mandel, 1962:376).

Marxist thought on the subject of crisis is far from homogenous. In fact, marxists have been sharply divided as to the "ultimate" mechanism that provokes an economic crisis. Though all marxists agree that economic crises - as barriers to the continued expansion of capital accumulation - are internally generated, there is no consensus as to whether crises originate in the sphere of production or in the sphere of circulation.

Pointing to the anarchy of capitalist production, the advocates of "Disproportionality Theory" focus on the production side of expanded reproduction. "...Each entrepreneur endeavours to increase his own profits, to the utmost, without taking into account in his investments, the tendencies of the market as a whole (Mandel, 1962:366). The individual capitalist's strategy of maximizing his rate of capital accumulation creates, at the aggregate level, an

impediment to expanded capital accumulation. This impediment was described by Marx as the law of the tendency for the average rate of profit to fall. This law follows from Marx's notion that "living labour" is the only source of surplus-value. Machines embody past labour, and in the process of production, they only transfer their value to the final product; they do not add any new value. Profits can only be ultimately extracted from the labour of men and women. Thus as living labour is replaced by machines (crystallized past labour, or as Marx called it, "dead labour") in the process of capital accumulation, capital's ability to extract further profits is reduced. The shift from a high variable capital (labour) component to a high constant capital (machines) component gives rise to a situation where "the actual rate of profit will be progressively squeezed between the descending ceiling and an unyielding floor, so that it must itself exhibit a downward tendency" (Shaikh, 1978:233). The increasing organic composition of capital, which creates the profit squeeze, comes about because the capitalist's competitive struggle against other capitalists forces him to adopt new technological innovations, or go out of business. (1)

The advocates of "Underconsumption Theory", on the other hand, focus on the impediments to expanded reproduction that arise in the circulation sphere. While the proponents of "Disproportionality Theory" see the impediment as being inherent to the production of surplus-value. The proponents of Underconsumption theory believe that the inadequacy of the purchasing power of the masses prevents them from buying all the goods manufactured during a particular period. The surplus-value has been produced all right, but it remains crystallized in unsaleable commodities" (Sweezy, 1942:138).

Sweezy criticizes those marxist scholars who put too much emphasis on the production side of capitalism, and he reminds them that all production has as its ultimate goal, consumption.

The tendency for the capacity to produce to expand more rapidly than the capacity to consume is not unique to marxism. Marxists and non-Marxists have been proponents of some form of underconsumption theory. The tendency for the average rate of profit to fall is, however, unique to marxists thought.

We do not see how one can neatly divide the productive and circulatory aspects of the overall process of extended accumulation. The underconsumption theory is equally a theory of excess capacity. Excess capacity can also be seen as an outcome of the anarchy of production; each capitalist seeking to maximize his competitive advantage through the introduction of machinery and mass production. We feel it more reasonable to view the two schools of thought as two sides of the same coin. Mandel, in his treatise on marxian economic thought, proposes a similar view:

"Each (school) puts its finger on a fundamental contradiction of the capitalist mode of production, but goes astray in isolating this contradiction from other features of the system" (Mandel, 1972:361).

In a more recent work, Mandel further clarifies his position:

"...In the final analysis fluctuations in accumulation, and therefore in the expanded reproduction of capital. ...To attempt to explain the phenomenon of crises exclusively by what occurs in the sphere of production

(the production of a quantity of surplus-value insufficient to assure capital an acceptable rate of profit), leaving aside the phenomenon of the realization of surplus-value reality to eliminate a fundamental feature of capitalist production, namely that it is generalized commodity production". (Mandel, 1977:155).

Space and Crises

The link between crises theory and uneven spatial development arises from the spatial realization of the vertical division of labour. Ironically, it was a Russian geographer who remarked that "there are no sectors outside of regions and no regions without sectors; sectors and regions are two aspects of a single economic fabric" (Pokshishevsky, 1975:18).

Though crises result from a particular conjuncture in the totality of capitalist production and exchange relations, they nevertheless must start in a particular industry or sector and then propagate throughout the entire economy. Because of the spatial division of labour, the propagation of the crisis, in "economic space", manifests itself as a propagation in physical space⁽²⁾.

The propagation of a crisis in "economic space" is neither instantaneous nor uniform. The non-uniform character of the propagation is due to the multitiered structure of capitalist economies: unequal intersectoral roles in extended reproduction, as well as a hierarchical arrangement of industrial activity resulting from the co-existence of production based on long-established technologies and production based on the "leading edge of growth".

technologies. Disruptions in the spheres of production and circulation will have varying "speeds" of propagation, depending on the particular sectors or industries one considers.

Similarly, in physical space, the speed of the effects of an economic crisis will be neither unique nor uniform. The uneven intersectoral relations experienced during crises will give rise to uneven economic relations. As a consequence, some regions might initially defy the crisis; some might bear the crisis better than others; some might feel the impact earlier than others; some regions might never recover while some regions might emerge as powerful economic centres.

The relationship between uneven spatial development and economic crisis is not novel. In fact, "before 1950, which would also be before the phrase 'regional analysis' came into common professional usage, what generally was regarded as regional economics was heavily involved in business cycle theory and analysis. Indeed, in the forties studies relating to the inter-regional propagation and transfer of business cycles.This aspect of regional economics has been rather neglected in recent years" (Meyer, 1968:27).

Capitalist regional planners, like Isard, saw the importance of business cycles in regional development issues:

"Historically, many regions of the world and the United States and other nations have experienced severe ups and downs in their growth. A part of these fluctuations are undoubtedly associated with the dynamics of capitalist development and probably unavoidable in a free or partly controlled enterprise system. However, it is the belief of many that another part of these fluctuations are avoidable and that a study of strategic factors generating such fluctuations is of great value" (Isard, 1972:182).

The study of the "strategic factors" is done in terms of industrial composition theory, economic base theory and inter-regional multiplier trade theory. These methods of analysis are all rooted in the Keynesian conception of crisis and expanded accumulation.

Because of the international spread of capitalism, the internally generated impediments to expanded accumulation take on a global character. Attempts by nations, either individually or co-operatively, to manage the crisis will involve some form of economic restraints: austerity measures, more restrictive multi-lateral trade arrangements. Any socio-economic restructuring of the capitalist world economy will translate into important structural changes in socio-economic activities at all lower spatial levels. For example, if a contraction in production is required at the national level in some sector or industry then regions will scramble to maintain, if not increase, their shares of the diminishing national totals. In such intense inter-regional competition, the underdeveloped regions are bound to be the losers. Unable to implement significant economic expansion programmes, the "have-not" regions will be unable to see to their unfavourable positions vis-à-vis the "have" regions reversed.

We do not, however, want to imply that there is only a one-way causality relation from higher spatial scales to lower spatial scales. Space should be conceived of as a multi-layered reality. The spatial structure at any given geographic scale is the result of the interplay between higher and lower order spatial scales. In figure 1, we present a multi-layered system that can be centered anywhere within Eastern Quebec, and that conforms to the historical

and present day realities in Eastern Quebec. This multi-layered reality is neither unique nor is there any "a priori" justification for the choice of nested intervals. These various geographic boundaries represent the historical resolution of the geopolitical tension Internal vs. External.

We shall assume that the forces responsible for the spatial structures and relations at any given spatial level are the outcome of a dialectical interaction of the social relations of production existing at any one, or group, of higher levels with the social relations of production existing at the lower level. In Figure 2, we want to convey the notion that each spatial level enters into relation with all, or some, of the others in a diverse number of ways; the particular set of interlevel relations being the outcome of the historical conjuncture of a particular set of social, economic, political, cultural and geographic realities.

Figure 5.1

Figure 5.2

Hence, not only is there a filtering of the economic crises down the multilayered reality but there is also the possibility of an upward percolation effect. For example, the 1974-75 recession first manifested itself in the automotive and steel industries (Mandel 1978). In Canada, these industries are spatially concentrated. A good deal of government subsidies were poured into specific places in the hope of averting a collapse of these industries. If local conditions in these industries deteriorate (for example, this could be the union shut down of a plant) then these disruptive perturbations will percolate up the multilayered reality to the national, and even international level.

Crises and Eastern Quebec

The relevance of capitalism's internally generated impediments to continued expansion, i.e. a declining average rate of profit and a productive capacity that chronically exceeds effective demand, to the particular issue of Eastern Quebec's lagging status within the Quebec "national" economy occurs at two levels:

- 1: Within the context of agricultural production in a marginal region;
- 2: Within the context of Eastern Quebec's role in the totality of socio-economic reproduction of the Quebec, and Canadian capitalist system.

Agricultural production is one of the region's major economic activities. To be more precise, it is the dairy industry that dominates regional agriculture (see Chapter 4). In Chapter 4 we described how the farmer is locked into a food production-processing complex which is controlled by upstream and downstream capital interests. As a result, the downstream and upstream capitalists servicing the farmer are

able to transfer a great deal of the economic burden to the independent family farm. This amounts to an extraction of surplus-value from the farmer. The "cost-price squeeze" is a clear manifestation of how difficulties in capital accumulation at either end of the agro-business chain are passed on to the farmer.

How can we understand the social relations of production that bind the farmer to the powerful capital interests that supply his inputs and handle his outputs? Isn't the farmer an independent agent within the capitalist mode of production; legal owner of his means of production and free to control the production process as well as the products of his labour? The family farm in Quebec appears to be engaged in simple commodity production within the context of precapitalist social relations of production:

"Pour l'essentiel, la production agricole est assurée par des exploitations parcellaires en faire-valoir direct, c'est-à-dire par des producteurs propriétaires de leurs moyens de production qui vendent eux-mêmes les produits de leur travail. L'ensemble de l'agriculture n'est donc pas capitaliste au sens strict, puisque l'organisation du travail n'est pas fondée sur la séparation travailleur salarié/propriétaire des moyens de production". (Piot, 1977:71).

Despite its apparent precapitalist form, present day Quebec agriculture is well integrated into the overall dynamics of expanded capital accumulation. Agriculture, however, does ~~not~~ participate in the general equalization of the various rates of profit (Mandel, 1977). Farmers accept to operate under much lower rates of profit than financial or industrial capitalists. The farmer's profit margins are squeezed by high profits in the upstream and downstream agro-business concerns.

"Les hauts taux de profit pratiqués à l'amont et l'aval ne laissent au producteur qu'une rémunération très faible de son capital, qui est ainsi dévalorisé puisqu'il ne rapporte pas le taux de profit moyen. Pour le Québec, J.P. Wampach a estimé le taux de rentabilité du capital directement agricole à 5% (Wampach, 1974:10)A titre de comparaison, Wampach a calculé un taux de rentabilité du capital de la Société Steinberg de 16% en 1970 et de 25% en 1972." (Piot, 1977:78).

The above figure of 5% conceals wide disparities in the rate of profit arising from differential ground rent. We would expect the marginal agricultural areas like Eastern Quebec to exhibit lower rates of profit. As the general decline in the average rate of profit affects the upstream and downstream agro-business capitalist enterprises, we should also expect them to further squeeze the farmers profits. In fact, farmers are often squeezed to losses.

Capitalists would never operate under such low rates of profit. The farmer is neither capitalist nor, strictly speaking, a proletariat. And yet, he is part of the capitalist production process. To explain this situation, Breton (Breton, 1977) makes use of Marx's notion of the "formal" and "real subsumption" of labour to capital. This concept attempts to clarify how a certain set of precapitalist social relations of production can be maintained and taken over by the capitalist class in order to further capital accumulation. This concept explains how capitalists can extract surplus-value from agricultural activity without committing any capital. Quebec agriculture is itself based on the formal subsumption of labour to capital, i.e. there is no direct alienation of the product from the producer. In the case of the real subsumption of labour to capital, surplus-value is extracted in the actual production process. The worker is alienated from the products of his labour by virtue of the wages he receives.

The formal subsumption of labour to capital remains an effective way for capital to extract a surplus-value from the agricultural labour process without having to own directly the agricultural means of production. This extraction is carried out through a pricing structure in a market controlled by those capitalists providing the farming inputs and by those handling the farming outputs. On this point Breton writes:

"...Nous avons signalé l'intégration au complexe agro-alimentaire de la production agricole organisée selon la formule familiale comme étant le moyen principal par lequel se réalise l'exploitation capitaliste des producteurs agricoles, c'est à dire l'extorsion du surtravail. Encerclé par le complexe agro-alimentaire, le producteur agricole du faire-valoir direct se fait imposer ses moyens de production - et leur prix - par le capital de l'amont et, de plus, perd le pouvoir de disposer librement de ses produits, le capital monopoliste de l'aval contrôlant le marché et déterminant ainsi le prix des produits, leur quantité et leur qualité". (Breton, 1977:66).

As the internal contradictions of the capitalist mode of production arise to impede further accumulation at the aggregate level, they are transmitted to the agricultural sector. The "profit squeeze" felt by the upstream and downstream capital is, wherever possible, put on the farmer's back. Most farmers would go under if it was not for the State's intervention, in the form of agricultural credit.⁽³⁾ Farm credit allows the farmer to stay in operation while feeding the high profits of upstream and downstream capital, as well as that of financial capital.⁽⁴⁾

"L'intervention étatique au niveau du crédit est donc un moyen d'assurer un transfert de revenu de producteur agricole vers le capital financier, et de diriger l'évolution qualitative et quantitative de l'agriculture selon les besoins du capital." (Piot, 1977:82).

The other aspect of economic crisis is excess capacity. The agricultural sector is particularly vulnerable to excess capacity. Due to the anarchy of agricultural production each farmer, in the past, sought to escape the "cost-price squeeze" by increasing the volume of his production. Due to the inelastic demand for food products, increases in production easily became overproduction. This overproduction only produced a fall in prices and lower farm revenues which in turn obliged the farmer to further increase production. This was certainly the history of the dairy industry in Quebec, certainly in Eastern Quebec.

Dairy production is the dominant agricultural activity throughout Quebec. This is particularly true of Eastern Quebec. It will be remembered that both the BAEQ and OPDQ studies had singled out the dairy industry in their agricultural development strategies. It will also be remembered that, historically, dairy specialization was the only way that the region could maintain an agricultural way of life in the face of an international economic crisis, given its poor soil and climatic conditions.

Now they are facing another crisis in agricultural production. One year after the appearance of the OPDQ study, the dairy industry in Quebec was facing a crisis of excess capacity:

"La chute draconienne (45%) de la consommation de beurre au cours de cette période n'a pas été compensée par la hausse de la consommation totale de fromage en termes d'équivalent de lait frais....Il est estimé que la consommation totale de lait de transformation baissera de 8%'. ...On prévoit une diminution globale de la consommation de 5% à l'échelle du pays." (Le Devoir, March 11, 1980).

The excess capacity referred to above strikes Eastern Quebec particularly hard because of the region's specialization in industrial milk.

In order to control the severity of price drops in milk arising from excess capacity, the Federal and Quebec governments instituted a system of quotas, subsidies, and price controls. This stabilization of the dairy market came into being only after a protracted struggle between the Quebec dairy producers, and the provincial and federal authorities.

Lessard (Lessard, 1976:114) sees this system as a way of extracting surplus-value from the farmer to the benefit of the downstream capitalists. Giving subsidies to the producers of industrial milk as compensation for the lower price of industrial milk is an indirect subsidy of the downstream dairy transformation industries. In addition, any fluid and industrial milk production that exceeds the market's needs receives a much lower price. Industrial milk that exceeds the market's needs does not receive any price subsidy. The reason being that in Quebec dairy producers are bound to supply an amount of milk that is determined by the needs of the downstream dairy industries. As a consequence, we have:

"...l'adaptation de la production aux besoins de l'industrie... C'est l'industrie laitière qui fixe la quantité globale de lait et sa répartition dans chacune des catégories". (Piot, 1977:83).

This creates a situation in which the entire mechanism of State intervention in dairy production serves to transfer value from the working class, and farmers to the capitalists of the dairy industry.

Quebec marxist critics of agriculture (e.g. Bernier, 1976; Piot, 1977; Lessard, 1976) adopt the position that State intervention in agriculture only assists in the extraction of surplus-value, from the farmer to the capitalist.⁽³⁾ Though Morisset does not agree with the above view -

"Les producteurs agricoles ont donc acquis collectivement la capacité de répercuter sur le marché les augmentations de prix imposées par l'industrie en amont, d'imposer leur prix à l'industrie en aval, de conserver une part de plus en plus grande de leur sur-travail et donc de réduire leur dépendance des banques. Le 'ciseau des prix' est donc cassé." (Morisset, 1980:81).

- he does conclude, as the above mentioned writers also do, that there is a growing consolidation of dairy production to the detriment of small scale dairy production. This trend is encouraged by the State through the system of credit, subsidies, quotas and price setting.

In particular, State dairy stabilization policies favour the large producers of fluid milk over the small producers of industrial milk.⁽⁶⁾ Because of the spatial spread of the Montreal market, farmers in the region around Montreal are assured of large fluid milk sales. Whereas regions like Eastern Quebec are providing low cost industrial milk to agro-business. The predominance of industrial milk production in Eastern Quebec has another important drawback. Industrial milk is destined for "luxury" dairy products: ice-cream, butter, cheeses, cream, etc. During an economic crisis demand for these products will fall most rapidly, quickly creating a situation of excess capacity for the industrial milk producers. Eastern Quebec, as a producer of industrial milk, is more vulnerable to excess capacity than the central fluid milk producers around the Montreal area.

Bienfeld sees the crisis of excess capacity as contributing to intensified international conflicts:

"Whatever the sector, the appearance of surplus capacity has produced conflicts of economic interests between states." (Bienefeld, 1982:63).

A similar phenomenon is occurring between regions at the sub-national level. Regions become engaged in a struggle for new markets. Just as underconsumption at the national level gives rise to "economic lebesraum" at higher spatial scales, so does excess capacity at the regional level. This is certainly the case at the intra- and inter-provincial levels within Canada.

As regards the dairy industry, there are intra and inter-provincial disputes over the spatial allocation of agricultural quotas. Excess capacity demands new markets and higher quotas:

"Le surplus de production québécoise par rapport à la consommation devra être exporté vers les autres provinces et sur le marché international. Le secteur laitier devra faire des efforts marqués pour accroître sa part du marché dans les autres provinces." (Le Devoir, March 11, 1980).

To export its dairy excess capacity, Quebec will have to market specialized dairy products like cheeses. But these products are made from industrial milk. The international export of these specialized dairy products will be faced with stiff competition from foreign competitors. To compete effectively will require Canada to market these products very cheaply. Either the farmer will have to demand less or the products themselves will have to receive State support. In either case, there will be a transfer of surplus-value from the small industrial milk producer to agro-business.

In times of economic crisis, it becomes extremely difficult to find international markets for excess capacity. Hence, any international contraction in the effective demand in specialized dairy products will demand a contraction of industrial milk production within Quebec. This contraction will translate, at the sub-provincial level, into a significant contraction of Eastern Quebec's industrial milk production. And this contraction will, in turn, demand a further spatial concentration of dairy production within Eastern Quebec.

In addition to the effects of economic crises within the agricultural sector, the endemic nature of crises throughout the entire capitalist system will, in my view, block Eastern Quebec's attempts to build a self-sustaining economic growth that reflects the new growth technologies.

In my opinion, the spatial unfolding of capitalist economic crises only re-inforce the existing pattern of uneven spatial development or, shift the pattern. In the case of Eastern Quebec, I see economic crises re-inforcing the region's lagging economic development.

CHAPTER SIX

ALIENATION AND SPACE

INTRODUCTION:

Without diminishing the importance of crisis theory as an analytical framework for spatial analysis, we feel that the major contribution of marxian theory to our understanding of development of spatial organization within the capitalist mode of production is the concept of alienation. By alienation, one does not simply mean dissatisfaction. Alienation refers to a human condition in which man becomes opposed to his own deeds, whether they be commodities, the organization of space, social relations, or even history itself. Alienation describes a condition in which we are rendered mere passive spectators to the forces unleashed by our own deeds.

After all, it is the struggle against alienation that gives rise to the entire school of Liberation theory. Alienation, revolt, and liberation are, in our opinion, the most promising avenues of marxian thought to pursue in our understanding of regional issues as we approach the 21st century.

At the spatial level, liberation movements have become calls for territorial self-determination. Referring to Eastern Quebec, Léon Dion writes that,

"La conscience autodéterministe représente sans aucun doute la forme de conscience la plus authentique de notre temps". (Dion, 1981:81)

It is the quest for greater territorial self-determination that Dion attributes to the rise of the popular movement "Les Opérations Dignité". At one level of interpretation, we can view the social movement "Les Opérations Dignité" as a direct consequence of the BAEQ's spatial recommendations: a restructuring of Eastern Quebec's irrational city-size distribution. The BAEQ recommended that one consider closing 75 parishes (Banville, 1981). It was, however, the closing of 10 parishes, according to Charles Banville (the first president of "Les Opérations Dignité"), that gave birth to this popular movement. To make the parishes in question less economically marginal, and thus rationalize their continued existence, the movement advocated a comprehensive strategy of forestry management and exploitation. In this way, a local market for manpower in the rural areas could be created.

Though this interpretation, in itself, is accurate, it fails to reveal the deeper and more powerful social forces behind the movement's birth, and its continued existence long after the original objections to the BAEQ plan ceased to exist. Dion perceived some of these underlying forces:

"Ce qui cependant caractérise le mieux cette nouvelle conscience, c'est qu'elle est motivée par un désir, puissant, encore que non toujours clairement ressenti, d'auto-détermination. De façon souvent maladroite mais non équivoque, on se décide à sortir de la condition de mineur ou de sujet qui depuis toujours fut le lot de la grande majorité. Un peuple qui a longtemps courbé l'échine relève la tête et apprend à marcher droit. On accepte de moins en moins de se faire dicter sa conduite de l'extérieur." (Dion, 1981:77)

Dion speaks of the new consciousness of self-determination as a reaction to the abuse of power arising from centralized planning. According to Dion, there is a fundamental tension between scientific and technocratic planning (whereby

development is determined by objective and rational considerations arrived at by an elite and then transmitted to the entire population), and the important value of social participation at the local level. The danger with technocratic and rational planning is that it runs the risk of becoming a brutal form of manipulation which either gives rise to abject apathy in a population or to revolt. Dion describes this tension as a difference in the understanding of the word rationality:

"...La nouvelle conscience collective, consiste dans la façon originale dont elle conçoit la rationalité. A la conception abstraite de la rationalité propre aux savant et aux technocrates, elle oppose une conception vivante et humaine. Au lieu de s'inspirer de critères dérivés des lois 'objectives' de la nature, du rendement des techniques et des machines, des caractéristiques biologique et psychologique des hommes, du fonctionnement des systèmes, elle se déduit de l'examen des mobiles qui animent les hommes et des idéaux qui soustendent les objectifs que ces derniers poursuivent.

...Pour la rationalité scientifique et technocratique la valeur de participation ne saurait représenter qu'une aspiration légitime qu'il convient d'incorporer dans la mesure du possible à des programmes d'action inspirés de critères 'objectifs', pour la rationalité sociale, cette valeur détermine les demandes mêmes de l'action au même titre que les critères 'objectifs'".
(Dion, 1981:75-76)

Dion's conception of alienation in the context of Eastern Quebec is that of a territorially based movement, in which a collectivity revolts against the inhuman bureaucracy of the central government's regional planning. He blames the insensitivity of the technocrats who place participatory democracy in the planning process in a secondary position vis-à-vis the objective values arrived at through the economic, regional and social "sciences".

Despite the significant merit of Dion's analysis, we find it lacking in one very fundamental point: it does not link the conception of alienation to the mode of production. In Dion's conception, self-determination movements are social movements within the framework of capitalism. Movements for self-determination arise out of the conflict between centralized political power and local control because territorial needs are being denied by the centre. Alienation at the local level arises from the absence of participatory democracy. Dion sees participatory democracy as a real option within capitalism. Hence, alienation can be resolved within the capitalist mode of production.

In Marxian terms, however, the alienation imprisoning us is an inherent element of the capitalist mode of production. This alienation is rooted in the class divisions (property relations) and the division of labour, and watered by the commodity and the market. Marx had taken alienation from the Hegelian cosmic stage and put it back on earth, in the workplace to be more precise.⁽¹⁾ Alienation was no longer eternal but rather the historical product of a given mode of production and, as such, alienation became amenable to socio-political solutions. This socio-political action differs fundamentally from the course of action suggested by Dion. Revolution, as a collective action, was, for Marx, the only solution to the alienation produced by capitalism.⁽²⁾ Social, economic and political reforms within the capitalist mode of production are insufficient, and cosmetic at best.

Marxism sees alienation as a rupture in man's relations to 1) his productive activities, 2) to the products of his labour, and 3) to his fellow man. The rupture in man's relation to his productive activity has reduced man to a

passive participant in the production process. He plays no part in deciding what to do or how to do it. Work becomes an externality (as it belongs to someone else) in which man denies himself instead of fulfilling himself. Man exhausts himself physically and debases himself mentally. Marx observed that under capitalism the worker felt himself at home only during his leisure time; we work only because we have to. Within communism, Marx envisaged work as an affirmation of man's highest physical and mental capacities.⁽³⁾

The rupture in man's relation to his product is the alienation inherent in commodity production and exchange. The product of man's labour becomes an external object, something alien, with a power of its own. Confronting his products, the worker becomes helpless before them.⁽⁴⁾

The rupture in man's relation to his fellow man arises from the social relation of production needed to maintain capital accumulation. First, there are the property relations that create worker-capitalist division. Then there is competition that pits capitalist against capitalist, and the "reserve army of unemployed" that pits worker against worker. The myth that anyone can rise to be a successful capitalist militates against true human solidarity.

The concept of alienation used by Dion to describe the rise of "Les Opérations Dignité" in Eastern Quebec is devoid of any notion of "rupture" or "estrangement" as used above. In fact, the organizers of "Les Opérations Dignité" had failed to relate the moral issues of alienation to the means of production itself. On reading Banville's (1981) explanation of the origin and impact of "Les Opérations Dignité", one realizes that the movement was not a frontal attack on

above the experiential, alienation produces a rupture in a collectivity's relationship to its products, to its productive activities, and to its relationship with other collectivities. Each collectivity will display a definite set of class divisions. The nature of the class divisions will depend on the mode of production that is dominant. A given collectivity will be associated with some definite territory. Questions concerning the collectivity's perception of what constitutes territorial borders will not be discussed.

Underlying the Centre-Periphery Model used to explain Eastern Quebec's poor development is the notion of spatial interaction, more specifically, place-place interaction. The idea that territories interact is only a surface reality concealing more fundamental relations - social relations of production existing between the various classes of both territories. Within this framework, the view that one territory can exploit another must be reconsidered. "Commercial exploitation and 'unequal exchange' obscure the fact that what is described by them is rooted in production relations" (Bettelheim, 1972:276).

Spatial exploitation cannot be based on the existing interregional exchange relations because the exploitation has its origins in those conditions that allow the spatial reproduction of the inter-territorial exchanges, and the reproduction of the inter-territorial exchange relations is rooted in the production relations⁽⁵⁾. Places do not exploit places. Rather exploitation is a class relation:

"Because the concept of exploitation expresses a production relation - production surplus labor and appropriation of this by a social class - it necessarily relates to class relations. ...This, too, is why a mere transfer of surplus value from the

"It is nothing but the definite social relation between men themselves which assumes here, for them, the fantastic form, of the relation between things. In order, therefore, to find an analogy we must take flight into the misty realm of religion. There the products of the human brain appears as autonomous figures endowed with a life of their own, which enter into relations both with each other, and with the human race. So it is in the world of commodities with the products of men's hands. I call this the fetishism which attaches itself to the products of labour as soon as they are produced as commodities, and is therefore inseparable from the producing of commodities." (Marx I, 1867:165).

Since the organization of space (physically and functionally) is a product of human labour, one can also speak of the fetishism of place.

This was certainly true in the conceptual foundations of both the BAEQ and OPDQ studies of Eastern Quebec's economic position within the Quebec "national" economy. These studies dealt with the "surface realities" of regional development within capitalism. As a consequence, the underlying processes of capitalist dynamics directly responsible for the continued reproduction of a system of uneven spatial development were never touched.

Another spatial consequence of alienation is the notion that places exploit places. Regional discontent is focused on external enemies. These type of alienated relations conceal the social relations of production that exist between regions, and that underlie underdevelopment and uneven spatial development. In the case of Eastern Quebec, the notion of place-place exploitation, as we shall see, gives rise to the "centre-periphery" explanation of Eastern Quebec's social, political and economic difficulties. Before proceeding on to the issue of the

relevance of the centre-periphery model to Eastern Quebec's alienation within the Quebec economy, we would first like to clarify how the capitalist social-relations of production give rise to the rupture in man's relation to the landscape he creates.

Borrowing from Meszaros's insightful analysis of Marx's theory of alienation, we can say that man's spatial activities, i.e. the spatial structures he creates (which we shall call the landscape) and his relation to these structures develops from a threefold dialectical relation between Man, Nature, and Productive activity. Productive activity is used, here, in its broadest sense. To think of productive activity only in terms of economic activity would lead us to economic determinism. "Productive activity is both the cause of the growing complexity of human society and the means of assisting the supremacy of man - as 'universal being' who is at the same time a unique 'specific being' - over nature". (Meszaros, 1979:105).

The dialectical reciprocity between Man, Nature and Productive Activity is depicted by Meszaros in the following manner:

Figure 6.1

The double arrows depict the dialectical nature of the reciprocity: man transforms nature and is in turn molded by nature; man is the creator of his productive activity while at the same time being molded by it; nature influences the type of productive activity only then to have the productive activity redefine nature (e.g. resources are the prerequisites for any productive activity. Hence, the availability of these resources plays a central role in determining the modalities of the productive activity. These resources, however, find their definition in the productive activity, i.e. technology. With changing technology new resources are discovered and nature is thus redefined).

Meszaros explains Marx's notion of alienation as a splitting of the above dialectical unity. Private property and wage labour are interposed between man and the other two categories (Nature and Productive Activity). The commodity, the market, the division of labour are all subsumed under the private property-labour category. Man is split into private property and labour, while simultaneously being divorced from his dialectical relation to both Nature and Productive activity. The original threefold reciprocity relations are broken and new relations appear that omit man. No longer is labour seen as the human agency of production, instead, it becomes an object, material fact.

Introducing the notion of an alienated landscape, we can extend Meszaros' diagrammatic representation of alienation:

Figure 6.2

According to Meszaros each sphere of human investigation looks at a different set of alienated relations: science looks at the alienated Nature - alienated Productive Activity reciprocity; economics deals with Private Property - alienated Nature - Labour, and Private Property - alienated Productive Activity - alienated Nature reciprocities; Ethics, on the other hand, has at its point of departure the Private Property - Labour tension (the vision of Man is an abstraction of this tension) (Meszaros, 1979).

Similarly, we propose that the mediation of private property and wage labour between man and his landscape gives rise to additional alienation relations which reflect man's estrangement from the landscape. The different domains of geographic investigation (economic, political, population, historical, etc.) will stress different aspects of the relations depicted in Figure 2.

To better understand the notion of regional alienation and how the idea of place-place exploitation is itself an alienated relation, we suggest that, for spatial scales

above the experiential, alienation produces a rupture in a collectivity's relationship to its products, to its productive activities, and to its relationship with other collectivities. Each collectivity will display a definite set of class divisions. The nature of the class divisions will depend on the mode of production that is dominant. A given collectivity will be associated with some definite territory. Questions concerning the collectivity's perception of what constitutes territorial borders will not be discussed.

Underlying the Centre-Periphery Model used to explain Eastern Quebec's poor development is the notion of spatial interaction, more specifically, place-place interaction. The idea that territories interact is only a surface reality concealing more fundamental relations - social relations of production existing between the various classes of both territories. Within this framework, the view that one territory can exploit another must be reconsidered. "Commercial exploitation and 'unequal exchange' obscure the fact that what is described by them is rooted in production relations" (Bettelheim, 1972:276).

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"Because the concept of exploitation expresses a production relation - production surplus labor and appropriation of this by a social class - it necessarily relates to class relations. ...This, too, is why a mere transfer of surplus value from the

capitalists (or other exploiters) of the poor countries to the capitalists of the rich ones cannot be described as 'exploitation', in the strict sense of the word, since only working people can be exploited, but not other exploiters." (Bettelheim, 1972:301).

From the local level to the global level there exists a complex web of capitalist property relations. These relations along with the high degree of territorial specialization of production, and the alienating labour process have militated against any meaningful worker solidarity that could cut across territorial borders and spatial levels. Competition between capitalists is transformed into inter-territorial competition. As a result, inter-territorial co-operation between workers is replaced by competition between the workers of different territories. For example, territories enter into competition for supposedly scarce capital, or for more State expenditures in transportation infrastructure. Marginal regions feel this competition most acutely.

The complex web of inter-territorial social relations of production to which we have been referring is summarized in Figure 6.3.

Returning to the question of the Centre-Periphery model as applied to Eastern Quebec, we see the Centre-Periphery concept as one facet of spatial alienation. More specifically, it is an example of the "Fetishism" of place-place exploitation. One territory is pictured as the villain and another territory as the victim. There are other examples of this spatial duality: North-South, Urban-Rural, Developed-underdeveloped, Industrial nations - Third World, Big City - Small Town, etc. These dualities are not without merit, for they do reveal the existence of territorial disparities, uneven development, and different

Figure 6.3

perceptions of territorial self-interests. However, they also tend to conceal the important social relations of production, that cut across territorial boundaries, responsible for the continued reproduction of the capitalist system.

The Centre-Periphery model attempts to "explain" the existence of chronic inter-regional disparities by means of a spatial model in which one postulates a fundamental division of space: centre-region, and periphery-region. This division of space is not arbitrary, because it attempts to establish a congruence between the centre-periphery spatial division and the existing pattern of uneven spatial development.

The centre is characterized as the seat of true political power, the motor of economic growth, the source of structural changes (technical, economic, social or political) for the entire spatial level in question, and as the spatial localization of prosperity. The periphery, on the other hand, is seen as a socio-economic satellite, totally dependent on the centre, and displaying a standard of living far below that of the centre.

In our opinion, the significance of the Centre-Periphery model lies in its essentially spatial assumption that there is a causal relationship between the existence of the periphery and the existence of the centre. The centre-periphery model is more than just a taxonomic description of uneven spatial development, it attempts to link the unfavourable socio-economic conditions in the periphery to existence of the centre, and to the existence of spatial relationships that are maintained by the centre and that favour the centre. This division of space can

facilitate political mobilization in the "periphery" because it externalizes the "enemy".

The Centre-Periphery dichotomy reveals different levels of complexity, depending on the level of spatial reality in which one is interested. At the international level, for example, we have nations (the industrialized west) as the centre and other nations (The Third World) as the periphery. Within each of the preceding designations, one can find another Centre-Periphery dichotomy. In Canada, for example, we have seen Ontario-Quebec, North-South, the East-West and other similar designations. Each spatial level seems to be characterized by some form of Centre-Periphery structure. The levels of spatial reality comprise a series of nested Centre-Peripheries similar to the physical universe of atoms to galaxies described by physics (See Figure 4).

The Centre-Periphery paradigm has been proposed to explain Eastern Quebec's inability to overcome its unfavourable social, political, and economic position vis-à-vis the more prosperous southern Quebec regions. This theory was used by Gagnon as a framework within which to explain the rise of "Les Opérations Dignité".

Gagnon employed two models in his interpretation of the rise of "Les Opérations Dignité": a "social psychology" model of relative deprivation, and rising expectations:

"Le concept" (Relative deprivation) se réfère précisément à une inégalité sentie ou vécue au niveau des aspirations, ou des attentes, et la réalité, c'est-à-dire à une expérience subjective. ...L'hypothèse concernant les attentes grandissantes demeure intéressante lorsqu'il s'agit de faire l'analyse des mouvements de protestation. A cet égard, Geschwender souligne: 'les personnes qui sont engagées

Figure 6.4

dans des mouvements de protestation et d'agitation le sont parce qu'ils perçoivent un fossé intolérable entre une situation possible et désirable et la situation possible et désirable et la situation existante'. Dans les deux cas, le mécontentement résulte de la comparaison faite entre les conditions de vie actuelles et celles anticipées"; (Gagnon, 1981:157).

and a "social economic" model of centre-periphery. Citing the work of Lerner, Gagnon presents us with three types of centre-periphery relations:

"Ce sont ceux de la 'promotion différentielle', de la 'réduction de la dissidence' et du 'non-intérêt'. Il y a non-intérêt lorsque le centre ignore les régions périphériques. Dans le cas de la promotion différentielle, il y a négociation entre le centre et la périphérie. Enfin, dans le cas de la réduction de la dissidence, le centre se voyant menacer de disparition doit contenir la périphérie par tous les moyens disponibles". (Gagnon, 1981:157).

Both models employed by Gagnon start with the premise that there exist two collectivities, each identified with the definite spatial location. The place-place interaction advocated here results from the socio-economic interaction of two-separate, and homogeneous collectivities. Gagnon's analysis does not really illuminate the underlying causes of uneven regional development. Rather, it offers a spatial economy which left Eastern Quebec out in the cold.

In our opinion, "Les Opérations Dignité" were never a direct challenge to the capitalist paradigm. Instead they were cries of frustration arising from the inability to get the same benefits from the capitalist system that the other regions were getting. The region's population felt that its real needs were not being looked after by the central planning authorities in Quebec. This was seen as being due to lack of interest on the part of the centre for the destiny of the periphery.

Eastern Quebec wanted to be integrated into the mainstream of Quebec economic activity. On this point Gagnon writes:

"Le maintien de la politique du non-intérêt à l'égard des régions périphériques ne peut en aucun cas favoriser leur intégration à l'ensemble de la province ou du pays. Il faudra pour que l'intégration devienne réalisable que le centre respecte tout d'abord les demandes et les aspirations de la périphérie. Or, selon cet auteur, l'édification de la société des différentes régions nécessite une diminution des privilèges accordés au centre, sans oublier le respect des droits de la périphérie. ...Seule une réparation équitable aux niveaux économique politique et sociale sera garante d'une intégration véritable. En fait, il est suggéré ici que l'intégration d'un pays et, à un plus petite échelle, d'une province, nécessite le développement égalitaire de chacune de ses régions. Cet auteur conclut donc que la question nationale passe d'abord par la question régionale". (Gagnon, 1981:181).

However laudable Gagnon's conclusion may be, his analysis does not take into account the specific nature of the capitalist mode of production and how this mode affects spatial development, especially when the system is characterized by capitalist "étatisme" as is the case in Quebec. From all that has been said, it can be seen that, from a marxist perspective, the complete spatial integration of the Quebec capitalist economy and equitable regional development are two incompatible conditions. Furthermore, it is not clear that there can ever be full spatial integration as conceived by Gagnon; the more meaningful participation of all regions, in order to further increase overall well being. He conceives of peripheral as some kind of weakness in the capitalist space

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economy. Walker, on the other hand, sees peripheral regions as the spatial equivalent of Marx's notion of the "Reserve Army of Labour":

"It appears, then, that capital invariably creates for itself in its process of geographic generalization a 'reserve' of places, in a fashion analogous to the creation of an industrial reserve army of workers. Just as more workers than necessary are potentially available to capital, in order that the reserve may be thrown into the breach as needed or that workers wage-demands may be kept in check, so more places than necessary are potentially available to capital. Such places might be called the 'lumpengeography' of capital". (Walker, 1978:32).

Mandel expresses similar views on the role of uneven regional development in the overall unfolding of the capitalist growth process:

"(The historical conditions which ensure the expansion of the capitalist mode of production) ...arise essentially from the uneven development of different sectors, branches and countries drawn into the capitalist market. The creation of the world market, which precedes the great advance of the capitalist mode of production, establishes the general setting for this uneven development. The latter shows itself in:

- (a) Unevenness of development as between industry and agriculture;
- (b) Unevenness of development between the countries first to be industrialized and the colonial and semi-colonial countries; ...
- (c) Unevenness of development as between the different branches of industry; ...
- (d) Unevenness of development as between different parts of a single country.

This phenomenon, usually under-estimated in Marxist economic writing, is in reality one of the essential keys to the understanding of expanded reproduction. By creating depressed areas within the capitalist nations, the capitalist mode of production itself creates its own 'complementary' markets, as well as its permanent reserves of labour-power. ...The gradual abolition of old depressed areas is itself accompanied by the

appearance of new depressed areas... . The irony of history is such that often these new depressed areas were formerly the cradles of capitalist industry in these countries". (Mandel, 1977:371-373).

Another weakness in Gagnon's analysis is his interpretation of alienation. For Gagnon, alienation appears as a consequence of regional neglect, and the collective frustration that arises from this neglect. Neglect leads to political apathy which in turn produces feelings of alienation:

"La politique du non-intérêt est devenue synonyme de politique de frustration dans L'Est du Québec. Le comportement politique de la région est caractéristique d'une population frustrée, qui tente par tous les moyens de se sortir de sa situation de défavorisée, dont elle n'est nullement responsable". (Gagnon, 1981:177).

Gagnon leads us to believe that alienation can be resolved within the capitalist mode of production. Perhaps Gagnon's version of alienation can be resolved. If this is the case, then Gagnon has not come to grips with the marxist concept of alienation and its endemic nature within capitalism. Perhaps Gagnon's analysis about the region's population perception of alienation is correct. In that case, it only shows that the population had not yet been able to see behind the veil of capitalist ideology. The capitalist social relations of production have not yet come under true scrutiny.

This brings us to a third serious drawback in Gagnon's analysis (and in fact one that appears in all centre-periphery models); the replacement of social relations of production with relations between places. The place-place interaction paradigm explains uneven development

in terms of competing regions. This leads to an important concealment: the identification of all classes, and hence class interests, with the borders of a territory.

The workers of one territory then become cast as the exploiters and oppressors of the workers of another territory. Another variation of the above theme is the view that territories are locked in a battle for survival, both competing for limited resources, capital being one of these resources. In order to protect and promote employment opportunities, territories compete to attract investment capital. This competition translates into intra-class competition amongst the workers of different territories. The territorial relocation of capital is never, in itself questioned, (because it is a fundamental right accruing to private property), only the particular choice is questioned. Those territories receiving the capital, obviously, do not object. Those experiencing the outflow of capital are the ones to complain.⁽⁶⁾

PROGNOSIS

In the course of this thesis, we have painted a picture of unchanging, or increasing, regional disparities. Eastern Quebec's marginal status within the Quebec spatial economy will remain unalterable within the present day political economy of capitalism.

Strategies for regional development, as typified by the BAEQ and OPDQ studies, will not be able to produce any significant reversal in Eastern Quebec's marginality. These strategies are conceptually rooted in the capitalist ideology: an ideology which itself is the root of the problem.

Uneven spatial development is, and will remain, a key feature of capitalist growth. This fact was the main thrust of our presentation of crisis development. The endemic nature of economic crises in the unfolding of capitalism and the accompanying spatial propagation of the crises will certainly, in our estimation, frustrate all attempts at long range, locally oriented, and locally based regional development. This frustration is bound to be amplified as a result of Eastern Quebec's weak competitive position with regards to the very products which are seen as the motors of economic growth within the region - the forestry and dairy industries. Dependence on a single resource-based and export-oriented industry makes any region particularly susceptible to the spatially propagating crises. Competitive weakness in this same industry vis-à-vis other producing regions will surely condemn the region to be a chronic victim of the spatial spread of every economic crisis. It must be stressed that the primary economic, social and spatial problems of our day are not a result of stupidity, improper management by government, or by the capitalist class. The

question of mis-management is a tactic used by political parties (be it the Conservative, Liberal, N.D.P. or "pequiste" party) to gain political power at election time. Better management can at best provide only a cosmetic solution. The question of mis-management conceals the heart of the problem: a market system based on commodity production and the imperative of capital accumulation, for the benefit of one class.

It has been argued that a more equitable development is possible for Eastern Quebec within the Quebec spatial economy. The advocates of this position have argued, as we saw in Chapter 6, that were it not for the neglect by central political power of the plight of the periphery, Eastern Quebec could be integrated into the provincial economy with substantial gains for the region. Underlying this claim are two issues:

- 1) the myth of intelligent spatial management of Quebec's "national economy"; and
- 2) the social primacy of democratic participation as expressed in regional participation.

This technocratic refusal to include, in a meaningful way, local input (which is often considered by the central government technocrats as "non-expert") in the determination of Eastern Quebec's local problems, needs and aspirations, as well as in the formulation and execution of any development strategy, led to a profound sense of "alienation" within the region. This "alienation" brought forth calls, by the local elites, for more regional control over the development process.

In Chapter 6, we argued that regional alienation went deeper than just institutionalized neglect in the planning process. In contrast to the view that, within capitalism, alienation could be overcome within the framework of increased "democratic participation", we argued for the position that alienation is endogenous to capitalism. Alienation is not an externality that is added to capitalism as an independent factor. Capitalism is alienation.

The separation of ethical issues from the manner in which society organizes itself in its material reproduction was a fundamental contradiction in the regional movement "Les Opérations Dignité". True democratic participation and human liberation in its broadest sense can never be achieved in a system based on the private ownership of the means of production, class domination, and on the market (as the regulating principle). This contradiction is even more glaring when we consider that regional church officials could speak of the dignity of the human spirit, and in the same breath tacitly condone a socio-economic system in which one segment of society must sell its labour-power (its physical and mental energies, as a commodity, in the market in order to survive.

In Chapters 1 through 4 we presented evidence to show that disparities between Eastern Quebec and the Province of Quebec had continued to increase from 1951 to 1971. We also implied that this trend would continue. In Chapters 5 and 6 we argued, in theoretical terms, that nothing could be done to reverse significantly the trend. Furthermore, beyond the quantitative and qualitative questions of balanced regional growth, there lies the profound conclusion that spatial alienation, like all the manifestations of alienation, is inherent to capitalism. If we are true to the chain of

arguments presented in this thesis then we must conclude that any leftist regional planner, faced with the task of realistically dealing with depressed regions as Eastern Quebec, is trapped in a dilemma.

Socialism becomes a way out of this dilemma, and the hope of the future. The transition from capitalism to socialism will demand radical, and profound changes in our society: revolutionary transformations. Economic planning will have to be based on new forms of economic calculation. For Engels, economic calculation within socialism would have to abandon the use of value and prices as intermediaries. Bettelheim (1970) points out that economic planning and calculation within the socialist mode of production must be based on the direct "social utility of the various types of labour". Whereas within the capitalist mode of production, the social utility of the various forms of labour are determined by "...their capacity to produce surplus-value or to assist in its production or increase (hence, the 'rationality' of the profit criterion for the capitalist mode of production)". In the socialist mode of production, the object of production is no longer the appropriation of surplus-value but the satisfaction of social needs.

Given the present level of material well-being in the peripheral regions like Eastern Quebec, revolution is not a viable alternative. Conditions have not deteriorated to such a degree that workers would risk the precarious and uncharted path of revolutionary action. Not only is that first revolutionary step towards socialism a difficult one to take, but the entire road to socialism is lined with pitfalls. The elimination of private property will not be sufficient to guarantee a socialist system. This is the lesson of the Eastern Block countries. The market system and its pricing structure must also be replaced.

The nature of socialist economic calculation poses some interesting spatial questions. What form will spatial planning take in a system where economic calculation is based on social utility and social needs? How will a socialist territory reconcile its internal form of economic calculation with the capitalist form of economic calculation occurring at higher spatial scales? It is clear that regions like Eastern Quebec will be unable to reconcile them. Even if the entire population of Eastern Quebec embarked on the road to socialism, it would stand little hope of success unless the entire province of Quebec chose the same course. Quebec would face a better chance to survive as a socialist state within the North American capitalist political economy than would Eastern Quebec.

The present day impossibility of a socialist state within Quebec, Canada, or North America raises another conundrum for the leftist regional planner: how should one go about bringing meaningful socio-economic, and spatial changes in Eastern Quebec if socialism remains unattainable, and action within capitalism only produces cosmetic effects? This conundrum must be faced by all economic geographers who are concerned over the issue of uneven spatial development, but who must, nevertheless, function within the capitalist mode of production.

We have no satisfactory answer to the preceding question. However, we do find ourselves leaning towards a view espoused by Sweezy and Magdoff in an editorial of the December, 1982 issue of Monthly Review entitled "The Responsibility of the Left". In particular, there is a quotation used by the editors that attracts our attention:

"Nothing short of a long revolution, aimed at deconstituting the present structure of power, makes much sense. It is illusory to believe that the same modes of power that, by their constitution, use up humans, society, and nature at a fearful rate can simply be 'turned around' and trained in a more benign direction; or that the same human dispositions toward power - passivity by the many, control by the few - will serve as well for a new social order as for the current one." (Wolin, editor of democracy).

Using the above quotation as a point of departure, the Sweezy and Magdoff editorial asks: "What are the requirements of a 'long revolution'". And what should be the responsibility of the left in this 'long revolution'? They reply:

"It is the responsibility of the left to ... demonstrate that the present ills like mass unemployment and colossal waste emanate not from God and nature but from an internally self-contradictory social order which has evolved in the past and can be changed in the future"2.

The question still remains how should the left carry through the above-mentioned responsibility? Should the left get involved in direct political action within the confines of the system in order "...to come up with fair and democratic solutions which the broad masses of people can understand, which will raise their political consciousness, and around which they can begin to form a meaningful radical movement?"

To this question Sweezy and Magdoff reply with a categorical no:

"For the left to get involved in this game is simply to guarantee its short-run impotence and its long-run irrelevance."

We hesitate to totally accept the "Left's" approach to the 'long revolution' because we have yet to see any coherent

inclusion of the "anarchist" critique of the danger of central political power. As geographers we should be especially interested in this critique because of its significant geopolitical implications for "Bottom-Up" socialist development.

FOOTNOTES

INTRODUCTION

1. The countries comprising Eastern Quebec were, in both studies, the following:

Kamouraska, Rivière-du-Loup, Rimouski, Temiscouata, Matane, Metapedia, Gaspé-Est, Gaspé-Ouest, Bonaventure, and Les Iles de la Madeleine.

Because of the geographically isolated position of "Les Iles de la Madeleine vis-à-vis the rest of Eastern Quebec and its unique problems, we have omitted the islands from our study.

2. "Prise de Position du Clergé Devant La Situation Economique de la Région et de l'Action Entreprise Par La Population", 27 September, 1970 (Archives du Diocèse de Rimouski)

"Prise de Position des Prêtres et des Agents de Pastorale de la Matapedia" in Le Nouvel-Est, 14 October, 1980, page 5.

CHAPTER ONE

1. For a more in depth understanding of the traditional vs. modern dualism behind the BAEQ plan, we refer the reader to the technical annex (Picard, 1966) to the BAEQ study.
2. For a further discussion of the revenue inequalities arising from the industry/consumer milk distinction, we refer the reader to (Lessard, 1976).

FOOTNOTES

CHAPTER TWO

1. The OPDQ defines the small and medium enterprises as having less than 200 employees. If we aggregate all enterprises with less than 50 employees, and all those with 50 or more, we get some startling shifts:

	1966	1975
LESS THAN 50 EMPLOYEES	86%	33%
50 OR MORE EMPLOYEES	14%	67%

2. For a fascinating and illuminating account of how extra-territorial migrations in search of work were a wide spread feature of daily survival in Eastern Quebec, we refer the reader to (Michaud, 1981).
3. The 1971 and 1977 city-size distributions in Eastern Quebec were as follows (the 1977 figures are in parentheses):

POPULATION OF MUNICIPALITY	NUMBER OF MUNICIPALITIES IN THIS CLASS	TOTAL POPULATION WITHIN THIS CLASS
0 - 499	33 (46)	11,889 (15,343)
500 - 999	83 (70)	61,298 (49,229)
1,000 - 1,999	64 (47)	86,180 (64,445)
2,000 - 2,999	18 (16)	44,457 (38,300)
3,000 - 3,999	6 (7)	21,574 (24,970)
4,000 - 4,999	2 (5)	8,934 (21,808)
5,000 - 5,999	2 (1)	11,163 (5,200)
6,000 - 6,999	1 (2)	6,698 (12,600)
11,000 - 11,999	1 (0)	11,841 (0)
12,000 - 12,999	1 (1)	12,760 (12,900)
13,000 - 16,999	0 (2)	(0) (39,900)
17,000 - 17,999	1 (0)	17,211 (0)
26,000 - 26,887	1 (0)	26,887 (0)
27,000 - 29,000	0 (1)	(0) (28,500)

From the above distribution, we see that in 1971, municipalities of less than 2,000 inhabitants made up 85% of all municipalities in the region and accounted for 50% of the region's population. It should also be added that though the spatial distribution of municipalities of less than 4,000 inhabitants was a fairly uniform scatter, the spatial distribution of the higher order municipalities was rather uneven. One could not speak of any significant hierarchy of cities within the region. The country of Bonaventure, for example, has an ecumene 150 miles long along

which one would not find any human settlement of more than 4,000 people. In fact, there was a great homogeneity in the size of municipalities. Each municipality no matter how small had at least one service to offer its neighbours.

In 1977, we observe some movement to population concentration but compared to the province, Eastern Quebec is still dominated by small population concentrations. In 1977, 19.8% of the provincial population lived in settlements of under 2,000. In Eastern Quebec, however, 41.2% of the region's population lived in settlements of under 2,000. Population settlements of under 2,000 still accounted for over 80% of all regional settlements.

CHAPTER THREE

1. For an excellent overview of the subject, we refer the reader to (Slater, 1974) and (Souza, 1974).
2. "In general, within the geographic and related literature on spatial integration in the Third World, a basic assumption is that integration of periphery by centre, rural areas by urban centres, small towns by regional nodes, traditional sector by modern sector and so on is, firstly, mutually beneficial for both categories, reflecting at the same time positive socio-economic change, and secondly its realization indicates the achievement of a thoroughly modern society. However, in many under-developed societies .. centre-periphery structures remain resistant to change, and so it

is then argued that the main challenge in planning the space-economy is to successfully engineer the gradual breaking down of this unbalanced structure. This is so the prevalent view goes on, may be accomplished in a number of ways; for instance by creating smaller core regions in the periphery, through extending transport networks and communications from modern to traditional networks and communications from modern to traditional zones, in diffusing modern technology and institutional frameworks, by the allocation of financial resources to the development of new industries, in less advanced areas through the improvement of existing economic infrastructures and the provision of a greater range of public utilities, and finally perhaps by granting more decision-making authority to local and regional elites". (Slater, 1974:346).

Though the above comments by Slater, on spatial integration, were with reference to the Third World, they still provide a good description of the role of spatial integration, as perceived by the BAEQ and OPDQ strategies, in the development of Quebec, and Eastern Quebec.

3. "Development, modernization and industrialization, although related phenomena, can be placed in a descending order of generality. Development, the most general, results from the proliferation and integration of functional roles in a community. Modernization is a particular case of development. Modernization is a particular case of development. Modernization implies three conditions - a social system that can constantly innovate without falling apart (that includes among its essential beliefs the acceptability of changes); differentiated, flexible social

structures; and a social framework to provide the skills and knowledge necessary for living in a technologically advanced world. Industrialization, a special aspect of modernization, may be defined as the period in a society in which the strategic functional roles are related to manufacture. ...How is modernization, a particular case of development, different from industrialization? Industrialization is that aspect of modernization so powerful that in its consequences that it alters dysfunctional and social institutions and customs by creating new roles and social instruments, based on the use of the machine." (Apter, 1965:67:68).

4. Many marxist development thinkers, Gudner Frank being a good example, believe that the development of the industrialized european powers was based on the underdevelopment of many countries in what is today the Third World. Galeano, in his book "Open Veins of Latin America", describes how the industrial revolution in England was made possible by England's involvement in gold and slave trade in the Americas. Even Keynes wrote:

"Indeed the booty brought back by Drake in the Golden Hind may fairly be considered the foundation and origin of British Foreign Investment." Quoted in (Souza, 1974:20).

5. Riddel, "The Spatial Dynamics of Modernization in Sierra Leone: Structure, Diffusion, and Response" (1970). This quotation was cited in (Slater, 1974:326). Soja in his work entitled, "The Geography of Modernization: paths, patterns--and processes of spatial change in developing countries" (found in a book, "The Policy Approach to the Study of Political Development and Change", edited

by Bruner, and Brewer (1974), an attempt is, to map the spatial diffusion of modernization through the constructs of "modernization surfaces". Friedman's appraisal of the concept of "modernization surfaces" was clear:

"Ostensibly, their purpose was to depict the spatial extent of socio-economic development. In fact, they merely succeeded in mapping the penetration of neo-colonial capitalism." (Friedmann, 1979:120).

6. In another work (Lithwick and Paquet, "Urban Studies: A Canadian Perspective"), Lithwick states the argument for the primacy of cities in development even more clearly:

"What is clear from this analysis is that, despite their original dependence on regional economic viability, cities are now the determinants of that viability. In areas where cities have failed to emerge, depressed rural conditions prevail... This lesson must be well understood, for those who argue for industrial development to offset rural depression miss the point entirely. The problem is a lack of cities, not industries." (emphasis added).

7. Commenting on the "city-dominant thesis" and the notion "trickle down" effects down the hierarchy and into the hinterland, Souza and Porter write that the belief that all spatial development must follow the West is an article of faith. "This article of faith is to Frank, or Lin Piao, who acidly sees cities as capitalist structures, nothing more than colonialism thinly disguised." (Souza, 1974:8).

8. According to Dobb this transformation came to dominate economic life in England in the last half of the 16th and early 17th century.

9. "Labour was not always a commodity. Labour was not always wage labour, that is, free labour. The slave did not sell his labour power to the slave owner. ...The slave together with his labour power is sold once and for all to his owner. ... He himself is a commodity. The serf only sells part of his labour power. He does not receive a wage from the owner of the land; rather the owner of the land receives a tribute from him.

The serf belongs to the land and turns over to the owner of the land the fruits thereof. The free labourer on the other hand, sells himself and, indeed, sells himself piecemeal. ...The worker belongs neither to an owner nor to the land, but eight, ten, twelve, fifteen hours of his daily life belongs to him who buys them. The worker leaves the capitalist to whom he hires himself whenever he likes, and the capitalist discharges him whenever he thinks fit, as soon as he no longer gets any profit out of him. But the worker, whose sole source of livelihood is the sale of his labour power, cannot leave the whole class of purchasers, that is, the capitalist class, without renouncing his existence. He belongs not to this or that capitalist but to the capitalist class" (Marx I, 1891:21:22).

10. "In the ancient world there is no economic principle, in the modern sense of the word. ...There is no effort to calculate whether one would be better off with specialization, or with the division of labour.

...The controlling idea is that of needs. According to Aristotle, men have natural needs: sufficient food, clothing, shelter from the elements, care during sickness, sexual intercourse, companionship, and the like. But these needs are biologically derived, are limited and satiable. ...The acquisition that is unlimited, that is directed largely to selfish monetary gain, Aristotle calls chrematistic; it is 'unnatural' precisely because it is unlimited." (Bell, 1978: 222)

It is this unlimited aspect of the market that was unleashed by the capitalist mode of production.

11. The rest of Bell's observations on this subject are most illuminating.

"But like the expanding geographical horizons, his sense of what he wanted became unlimited. In bourgeois society psychology replaced biology as the basis of 'need' satisfaction. ...The economic principle - the rational calculation of efficiency and return - has been operative in the choice of means, in order to increase production (e.g. the most efficient combinations of labor and capital, or the specialization of tasks and functions), but the engine which began to drive the socio-economic system (in its soviet communist as well as its western bourgeois form) has been the prodigal idea of private wants and unlimited ends." (Bell: 1978, 224)

12. The circulation process is not simply one process. If one accepts Lindblom's (1977) assertion that the present day market in the industrialized nations is multi-layered then we are faced with three circulation processes: the circulation of

labour, the circulation of consumer goods, and the circulation of the means of production. In each case a particular form of spatial barrier must be overcome.

Technically speaking, the rate of accumulation is directly proportional to capital's velocity of circulation, i.e. turnover time. Turnover time relates capital flows with capital stocks and depends on production and circulation times. Space is a major obstacle in the reduction of turnover time.

13. In his work "The German Ideology", Marx describes a primordial importance to space in the evolution of the division of labour. The first great division of labour occurred when physical and mental labour were separated. The second important development was the separation of town and country.

"The greatest division of material and mental labour is the separation of town of country."
(Marx, 1844:).

Town and country were viewed as antagonistic elements within capitalism. This antagonism was paralleled by the antagonism between capital and landed property. The separation of town and country brought about "...the existence and development of capital independent of landed property. Property now had its basis in labour and exchange" (Marx, 1, 1844:).

Within Quebec, urban growth came late: the church being its major opponent. For the church, the rural-urban schism symbolized the struggle between

good and evil. The battle took on clear linguistic, and religious divisions: French/English, and Catholic/Protestant. This separation of rural and urban realities also served the churches ambitions. It isolated the french population in the rural areas, under the control of the church, while the urban areas were conceded to the english

The town/country, or urban/rural, contradiction was an important factor in the spatial re-organization recommended by the BAEQ, and OPDQ plans. A hierarchy of growth poles would provide a continuum from the rural right up to the largest urban centre.

Lew (1982) writes:

"Plus que jamais, il semble impossible de stabiliser ou de maîtriser les convulsions sociales d'une monde qui serait de plus en plus soumis à des effets de polarisation, symbolisée mais aussi inscrite spatialement dans la dichotomie ville/campagne." (Lew, 1982:28).

The spatial fragmentation of town/country was, in Marx's view, a key obstacle that had to be overcome:

"The abolition of the antagonism between town and country is one of the first conditions of communal life - a condition which depends on a mass of material conditions, which cannot be fulfilled by mere will ..." (Marx, 1844:).

In our opinion, the nature and manner of this abolition is a major challenge facing present day marxist geographers.

Since the division of town and country, there has been an ongoing process of spatial fragmentation in Man's daily existence. With the rise of capitalism, this fragmentation was intensified as production revolved around the needs of private capital. Writers like Lacoste argue that this change represented a destruction of the spatial unity of daily existence. Lacoste writes:

"Autrefois, aux époques où la plupart des hommes vivaient encore, pour l'essentiel, dans le cadre de l'autosubsistance villageoise, la quasi-totalité de leurs pratiques s'inscrivait pour chacun d'eux dans le cadre d'un seul espace, relativement limité: le terroir du village et à la périphérie, les territoires qui relèvent des villages voisins. Au-delà commençaient les espaces mal connus, inconnus, mythiques. Pour s'exprimer et parler de leurs diverses pratiques les hommes se référaient donc autrefois à la représentation d'un espace unique qu'ils connaissaient bien concrètement par expérience personnelle." (Lacoste, 1976: 31).

The conditions described by Lacoste are not necessarily the realities of a distant past. These conditions existed in many parts of Quebec at the beginning of the 20th Century. It was this "esprit de clocher" that the BAEQ was trying to break down with its strategy of modernization and capitalist development.

The notion of fragmentation can be further clarified if we make use of Dupuy's idea of spatial connectivity. This idea finds its inspiration in topology. Let us suppose that the set A represents the set of all the places that make up one's daily spatial experiences.

If we take any two points in A and consider the trajectory connecting them, the line will also lie completed in A. A set which doesn't exhibit this property could be represented as

A space displays connexity if the space that is directly experienced has the property that any two points in that space can be connected by a continuous path without having to leave the space.

Similar to Lacoste's notion of spatial unity, Dupuy writes that:

The first society in history to have disrupted this connexity is the capitalist society in which the personal space of each person has burst into distinct and distant centres that one seeks to cross as quickly as possible by entrusting ourselves to the transportation system" (Dupuy, 1980: 9).

The transportation myth is based on the belief that the spatial division of labour can be coalesced into one place. The goal of the transportation system is to annihilate the intervening space between the various "nodes" of our spatial existence. The spatial division of labour has been intensified within the informational society, thus producing an ever greater fragmented spatial reality in our daily lives. Our spatial existence could be depicted as a set of dis-joint localities, bridged by paths that run through "unknown", or even "hostile", void-like spaces. This kind of fragmented spatial existence can be abstractly depicted in the following manner:

FOOTNOTES

CHAPTER FOUR

1. Colin Tudge, in his book "The Famine Business", argues that profit maximization and the mechanisms of the free market play a principal role in the assessment of a land's productivity.

"Rich countries tend to write-off land as being fit only for sheep simply because its more productive use would not be profitable. In the nineteenth century the productive subsistence crofts of the Highlands were 'cleared' to make way for sheep that brought the lairds more profit; in the U.S., small high-yielding but 'marginal' farms have often fallen foul of more profitable cattle ranches. The unpromising hills of China, and perhaps even more spectacularly of Japan, are lovingly terraced and nurtured, yielding excellent rice and vegetable crops; the barren hills of Spain, terraced by the Moors, yield olive and grape; a group of exiled Tibetans recently began - to the astonishment of the locals - to grow barley on the slopes of Wales. ...It is dangerous to assume that what is now written off as 'marginal' land is necessarily unproductive. Often such land is written off purely for reasons of accountancy - reasons that may be inappropriate if we accept the need for rational agriculture in an austere world." (Tudge).

Tudge's concluding words in the above quotation are, in our opinion, very pertinent to Quebec's geo-political aspirations for greater food self-sufficiency and sovereignty.

2. Williams, in a private communication to this author.
3. The "cost-prices squeeze" is depicted graphically in Lessard, "L'agriculture et le capitalisme au Québec", Éditions l'Étincelle, 1976.

Indices des prix des produits agricoles sur les prix de construction et de consommation Québec 1949-1971

4. "Average production per farm has gone up tremendously from \$1,217 in 1941 to \$13,059 in 1971. In constant dollars it represents an increase of more than 300%. The major cause of this increase has been the increased productivity which has followed the use of better machinery, feeds, fertilizers and seeds.

In fact, total investment in agriculture almost tripled between 1941 and 1971.

...Such an increase in capital has entailed heavy indebtedness for Quebec farmers. Debts, on average, are equivalent to 80% of the average farm value. ...What is important to note is that large farms are in proportion more indebted than small ones. This means that large farms, despite their use of complex technology, do not become successful ventures. ...The main reason for this is that prices of farm products are rising more slowly than prices necessary for agricultural production. ...Since 1972, more productive machinery, which is necessary to pay back earlier loans, has not meant a rising income; rather it entails yearly deficits which are increasing. Thus scale has become ~~one~~ the path to spiralling indebtedness." (Bernier, 1976: 427).

5. The data for this analysis was drawn from the 1951, 1961 and 1971 Canadian census.
6. "L'industrie laitière offre des garanties plus solides que l'industrie sucrière. La lecture des documents donne l'impression qu'en 1875 les agronomes et les politiques ont fait leur choix. Le ministre de l'agriculture écrit dans son rapport annuel: 'On ne saurait donner trop d'importance au développement de cette industrie qui devrait devenir nationale'. ...Ces arguments sont amplifiés dans le rapport fortement documenté que S.M. Barré produit en 1880, à la demande gouvernement. Barré invoque six faits fondamentaux pour orienter le Québec vers l'industrie laitière:
 - a) l'industrie laitière met le cultivateur à l'abri des aléas de la température, car l'herbe croît à une température plus basse que les céréales, et les plantes fourragères résistent mieux que les céréales à la sécheresse prolongée;
 - b) l'Angleterre achètera de préférence dans le Québec, 'car ses intérêts commerciaux sont plus intimement liés aux nôtres';
 - c) la vache canadienne 'quand elle est bien choisie, et surtout bien soignée', peut rivaliser par la qualité et la quantité de son lait avec la plupart des races étrangères;
 - d) le système de laiterie coopérative du Québec met les cultivateurs en mesure de concurrencer les producteurs étrangers sur le marché anglais;
 - e) Le Saint-Laurent permet aux producteurs du Québec d'expédier leurs produits en Angleterre 'quinze jours avant ceux de l'ouest des Etats-Unis';

- f) le Brésil, les Indes et le Japon offrent des perspectives illimitées." (Piot, 1977:196)

FOOTNOTES

^ CHAPTER FIVE

1. Baran and Sweezy contend that in the monopoly stage of capitalism ~~the~~ the law of the falling average of profit - a law more relevant to the competitive stage of capitalism - should be replaced by the law of rising surplus. "...Under monopoly capitalism, owing to the nature of price and cost policies of the giant corporations, there is a strong ~~and~~ systematic tendency for the surplus to rise both absolutely and as a share of the total output". (Sweezy, 1942: 277).

"In the monopolistic and oligopolistic sphere of the economy the rates of profits on invested capital are unequal but predominantly high and the mass of profit available for investment prodigiously large. This tends to reduce the volume of aggregate investment, since the relatively few monopolistic and oligopolistic firms to which the bulk of the profits accrued find it both unprofitable to ~~plow~~ plow them back into their own enterprises and increasingly difficult to invest them elsewhere in the economy. The latter becomes progressively harder ~~as~~ as more and more of the competitive sector becomes 'oligopolized' and as the chances of founding new industries that would not compete with established oligopolistic enterprises become slimmer. Thus in any given situation the volume of investment tends to be smaller than the volume of the economic surplus that would be forthcoming under full employment. There is consequently a tendency towards overproduction that was precisely identified by Marx a hundred years ago...". (Baran: 1957, 85)

2. Though we can speak, in general terms, of a crisis propagating in space, there will remain the complex question as to the precise mechanisms responsible for transmission of economic fluctuations. According to Jones (1983) the geographic mechanisms of business cycle propagation have not been adequately addressed in business cycle theory.

"Though geographers have had considerable success in establishing the regional dimensions of business cycles..., we have devoted less attention to developing and understanding of how the spatial-economic linkages among cities and regions transmit the economic changes that comprise business cycles. In retrospect, our efforts in that direction appear to have been half-hearted, and the few results are vague and usually descriptive rather than analytical". (Jones, 1983:47).

Jones belongs to the "Regional Science School". Even within capitalist geography, the understanding of spatially propagating crises remains vague. We raise this point, because similar difficulties occur within a Marxist approach. In fact, Marxist literature on crisis theory is devoid of any important geographical dimension. Hence, our treatment of crises and space must remain very superficial.

3. Government intervention in the control of dairy supply is supposed to free the farmer from the "cost-price squeeze", reduce disparities in dairy revenues, and improve the standard of living of all farmers. Dufresne (1978) sees the State's role as having the opposite effect.
4. The need to "save" the farmer from the profit squeeze is revealed by the fact that, in Quebec, the total amount of Federal and Provincial agricultural credit went up from \$59.9 million in 1972 to \$174.6 million in 1976. (Dufresne, 1978:251). This is only the tip of the iceberg. Agricultural loans in Québec, from chartered banks, went up from \$1 billion in 1967 to \$3.6 billion in 1977 (Dufresne, 1978:251). The interest on financed capital is only in the more profitable short-term agricultural loans (Piot, 1977), leaving the state to handle the not-so-profitable long-term agricultural credit.

5. 'L'endettement agricole soutenu largement par l'Etat a considérablement stimulé l'intégration des producteurs agricoles aux rapports implantés par les monopoles de 'L'agro-business'. En fait, l'Etat capitaliste a oeuvré à l'aménagement d'une stratégie plus conforme aux besoins et aux intérêts de ces monopoles, le crédit agricole n'étant qu'une des dimensions de cette stratégie". (Dufresne, 1978:252).
6. The division of milk production into fluid and industrial milk producers has sharply polarized dairy producers. Fluid milk producers are far less numerous than industrial milk producers.

PRODUCTEURS

Années	Lait nature	Lait industriel	Crème
1966	6,539	n d	n d.
1967	6,323	39,286	9,933
1968	6,001	37,458	8,527
1969	5,658	34,744	7,641
1970	5,522	31,316	6,204
1971	5,326	28,036	4,732
1972	4,920	26,900	2,855
1973	4,894	23,819	1,362
1974	4,783	24,908	n d.
1975	4,692	23,378	n.d.
1976	4,553	21,817	580 *

Source

- a) Québec, M.A.Q., *Esquisse préliminaire*, août 1974, p. 91.
- b) Fédération des producteurs de lait industriel, "Le point sur la production 1976-77", p. 3
- c) Fédération des producteurs de lait nature, *rapport annuel*, 1976, p. 22

* comprend des producteurs qui ont livré de la crème (523) et du lait et de la crème (57)

The powerful milk producing co-ops are increasingly being controlled by the prosperous, but significantly less numerous, fluid milk producers. Government dairy policy has encouraged this trend. In addition, the State has encouraged a concentration in the dairy transformation industries. To the detriment of the peripheral industrial milk producing regions. Eastern Quebec has certainly suffered from this concentration.

"Historiquement dispersés à travers le territoire québécois, leur production (producers of industrial milk) était acheminée aux 'fabriques' du village où l'on produisant surtout du beurre, du fromage et des sous produits. Depuis le milieu des années '60, les usines de transformation locales sont à peu près disparues de la carte. La commission royale d'enquête sur l'agriculture au Québec l'avait bien souhaité et même recommandé." (Dufresne, 1978:253).

"Selon monsieur Marcel Mailloux, ex-président de la fédération des producteurs de lait du Québec, ce programme de soutien fut le point de départ d'un vaste empire laitier lequel n'a pas nécessairement favorisé l'économie du Québec et plus particulièrement les producteurs.

A cet effet, le 'leader' agricole mentionne que les régions du Bas Saint Laurent, du Lac Saint-Jeans, et des Cantons de l'Est, ont été départies de leurs fromageries prospères. La concentration économique et l'éloignement des centres de décision) a réorganisé la production laitière à l'échelle provinciale au détriment de l'auto-détermination régionale. C'est ainsi que les producteurs se sont trouvés exclus du processus de prise de décision. De plus, les co-opératives agricoles se sont de plus en plus intéressées à la rentabilité, et de moins en moins au bien-être et à la participation de leurs membres dans ce nouveau modèle de développement". (Dufresne, 1978:261).

FOOTNOTESCHAPTER SIX

1. The Marxian conception of alienation has as its beginnings the Hegelian critique of Christianity. The christian deity was seen as the projection of an alienated man. The christian God had, according to Hegel, reduced men to the level of passive onlookers "content to wait for the revolution of the end of the world". Alienation went beyond the spiritual world to the entire object world of Man's existence. Man, in the Hegelian universe, is eternally doomed to be in conflict with the object world he creates. Gouldner describes this position in the following words:

"Alienation is the inescapable fate of humanity and its object world. Alienation is thus inherent in human life which necessarily and everywhere creates the social world making and transforming itself in that very process. At some point, however, these objects no longer coincide with human purposes, the object world and the inner world are no longer in gear, and men cease to recognize the object world as having been brought into existence by their own activity" (Gouldner, 1980:180)

Alienation is man's tragic fate in the hegelian cosmos. The cosmic tragedy is insoluble and the struggle to eradicate alienation becomes impossible.

2. Marx's "revolution of the masses" is denounced by those who would see it as the unfortunate consequence of crowd psychology. Satre, on the other hand, sees revolution as the beginning of humanity. This is a theme that runs throughout existentialism. Though humanity begins with revolution, Satre saw in history a bitter reoccurrence: Man's revolt against alienation had, throughout history, given rise to the totalitarian powers of the one party, and of the cult of the personality.

This bitter fact of history was at the root of schism within the international communist movement in Marx's day. The so-called "anarchists" objected very strongly to Marx's revolutionary strategies. Though they agreed with Marx's socio-economic analysis of capitalism, they saw Marx's political solution as totalitarian. The Marxists claimed that a strong central government was needed during the transition from capitalism to communism. With the appearance of communism, the Marxists argued, the state would wither away. Bakounine's response to Marx's "people's state" was swift and accrimonious:

"Qui dit Etat, dit nécessairement domination et, par conséquent, esclavage: un état sans esclavage avoué ou masqué, est inconcevable; voila pourquoi nous sommes ennemis de l'Etat". (Guérin , 1976: 12).

Because of such views, Bakounine and his supporters were, in 1872, thrown out of the International. This expulsion was apparently orchestrated by Marx himself (26).

As a result of this expulsion, Bakounine, in an open letter, published in the newspaper "La Liberté de Bruxelles", comes to his own defence. I wish to quote from this letter because it has much to say on the issue of socialist development from below.

"Que de cette organisation de plus en plus large de la solidarité militante du prolétariat contre l'exploitation bourgeoise doive sortir et surgisse en effet la lutte politique du prolétariat contre la bourgeoisie qui peut en douter? Les Marxians et nous, nous sommes unanimes sur ce point. Mais immédiatement se présente la question qui nous sépare si profondément les Marxians.

...Nous pensons que la politique, nécessairement révolutionnaire, du prolétariat doit avoir pour objet immédiat et unique la destruction des Etats. ...Nous ne concevons pas non plus qu'on puisse parler de la liberté du prolétariat, ou de la délivrance réelle des masses dans l'Etat et par l'Etat. Etat veut dire domination, et toute domination suppose l'assujettissement des masses et par conséquence leur exploitation au profit d'une minorité gouvernante quelconque." (Guérin, 1976 : 7).

3. Marx's notion of unalienated labour presupposes, according to Joachim Israel, the idea that work can be creative. For Joachim Israel, work is creative if;

- (a) "man makes his life activity an object of his will and consciousness";
- (b) "man, through work, can express his capabilities in a comprehensive way";
- (c) "through work he can express his social nature";
- (d) "work is not simply a means for maintaining man's subsistence". (Gouldner, 1980: 185)

Along similar lines, Ollman writes that under capitalism "work has become a means to stay alive rather than life being an opportunity to do work. Living, mere existence, has always been a necessary pre-condition for engaging in productive activity. But, in capitalism it becomes the operative motive". (Ollman, 1971 : 101).

4. This helplessness results from the objectification and externalization of the commodity. The commodity leaves the world of social relations and becomes part of a universe with its own laws, external to man. Describing this "Fetishism of the Commodity", Ollman writes:

"This displacement of certain relations from the worker to his product is responsible for the illusion that the inanimate object is a living organism with powers and needs of its own. ...For the most part, the life of the workers' products in capitalist society is the course of events which befall them in the process of exchange, which includes their production for the purposes of exchange. People follow the progress of these products in the marketplace as if they were watching a play enacted by real flesh and blood creatures. In this drama, the part played by individuals 'is that of owners of those of their commodities'. With men taking themselves and others as appendages of their products, their own social relations will appear in the first instance as a relation between things." (Ollman, 1971 :145-146)

5. From a theoretical standpoint, we feel that the nature of interterritorial "exploitation" arising from interterritorial production relations should be divided into two broad categories:

1. each territory operates within a different mode of production;
2. all the territories operate within the same mode of production.

Category 1 will be of importance to our understanding of the history of Lower Canada's and Eastern Quebec's development. Category 1 is also of importance in understanding the spread of capitalism from its birth place in Europe to the rest of the World.

Category 2, on the other hand, describes the present day realities of capitalism's total penetration into all aspects of Eastern Quebec life. Category 1 intractions should not be considered things of the past with little importance for the future. Socialism's survival will depend on how well the socio-economic, and spatial complexities of Category 1 are understood. The socialist territory will have to contend with the reality of a hostile capitalist geography that will encircle it.

6. The products produced by the workers of a given territory stand in opposition to the workers because these products of labour are owned by the capitalist class, a class whose interests are directly opposed to those of labour. It often happens that the capitalist from outside the territory controls some portion - sometimes all of it - of the territory's productive forces. An emerging indigenous capitalist class will find the intrusion as an obstacle and a threat to its own growth. Linguistic and cultural differences between these two capitalist groups will only serve to accentuate the conflict. As a result, nationalistic movements arise led by the budding capitalist class. Popular nationalist sentiments are exploited by the capitalists to further their own ends. Nationalism obscures the fundamental conflict between workers and capitalists by appealing to so-called territorial interests, i.e. by exploiting a people's genuine feeling of "sense of place". This has been a major element in the history of Quebec separatism.

In addition to the rupture in a territory's relation to its productive activities. There is an internal and external component to the ownership of a territory's means of production. This spatial split of ownership only serves to accentuate the alienation experienced by the workers within the territory. The worker's productive activity is now controlled, in part, by forces beyond its borders and as such, that much more beyond the workers' control. The physical aspects of production (e.g. machinery, factory buildings, etc.) may well be within the territory's borders but their ownership - the exclusive right, which is enshrined in the legal system, to determine their use - lies elsewhere. This externality in ownership relations must surely accentuate the feeling of helplessness and reinforce the alienation.

On the subject of capital's spatial mobility and its territorial allegiance Walker writes:

"Decreased geographic specificity has profound implications for local regional development, because capital is less tied to any area in terms of circulation of value, use-value, linkages and clear control of both. The consequences of this are frequently referred to in the literature on third world dependency, but are mistakenly identified with the state of underdevelopment instead of with the process of capitalist development itself." (Walker, 1978:32).

Walker does not bring up the issue of spatial alienation. Nevertheless, he is aware that high capital mobility and growing spatial fragmentation give rise to truncated development in which there is less identification with local needs and welfare, and less local autonomy. This holds true

for all the levels of multi-layered space. Capital's high spatial mobility has created a labyrinth of private property relations over space. As a consequence, territories find themselves trapped in an intricate, and widely spread spatial web of capitalist property relations. Within this web, a territory's needs carry no title to determine how its labour shall be channelled, neither do its needs carry any title to use what its own labour has produced.

7. Class is a way of talking about how the product resulting from the division of labour is distributed. "Where ever there is any institutionalized arrangement allowing one group to exercise control over the means and process of production that group constitutes a ruling class" (Gouldner). It then becomes clear that the U.S.S.R., like its capitalist enemy, possesses a strong ruling class. The elimination of the ruling class will never be accomplished as long as there is a class which controls production.

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