CHAPTER 8

ILLITERACY AND POVERTY: LIBERAL VS. CRITICAL VIEWS

Introduction

The present chapter and the one following it consist of an evaluation of the core argument of the liberal perspective, i.e. that illiteracy,, or low educational attainment, is one of the principal causes of unemployment and poverty. As we have seen, the critical perspective rejects the notion of a causal association between illiteracy and poverty, arguing instead that poverty is primarily caused by the capitalist economic structure. According to this view, illiteracy commonly accompanies poverty and to some degree reinforces it, but it does not in itself cause it.

Now, these competing conclusions are amenable to empirical test. That is, the liberal and critical perspectives are not simply philosophical positions, they also purport to accurately describe and explain social reality. This may seem too obvious to require explicit mention in the case of the liberal position, since it is generally recognized as appealing to, and building upon, current social science theory and research. However, it may seem less apparent in the case of the critical perspective because, as we argued above, a formal political economic analysis exists for the most part only 'symptomatically' in Freire's writings, which lean toward cultural and philosophical issues. However, Freire does rely on Marxist assumptions, as do many Canadian adult basic educators inspired by his work, and when the work of Marxist social scientists, particularly political economists, sociologists and historians, is applied to. the general problems addressed by the critical perspective, a more coherent political economic perspective takes shape--one which can be counterposed to the liberal perspective.

Given its brevity, the present chapter can only serve as an introduction to a critique of the liberal perspective. The question of their role of illiteracy in the causation of poverty is complex and merits the consideration of a great deal more empirical evidence than can be presented here. However, the evidence is sufficient to raise serious doubts about the conclusions of the liberal perspective and to establish that the critical perspective--while admittedly an emerging and incomplete position--is a serious social scientific and practical alternative.

Units of Analysis

Bef ore we embark on the task of evaluating the liberal argument, let us consider a preliminary challenge to the critical perspective arising from the practical experience of ABE professionals which, if upheld, would severely damage its case. That is, many of those who are directly involved with the practice of adult basic education in Canada can report instances, perhaps a number of them, of adults who have made use of literacy and basic education opportunities to step into better jobs, or into job training programs which have ultimately helped them to acquire more rewarding and remunerative work. ABE has worked for these adults, and perhaps they would be the first to say it.

On its face, this impressionistic evidence seems to contradict the assertions of the critical perspective and to render the criticism of the liberal perspective unne cessary, or at worst, an exercise in sophistry. However, what is not so apparent here is that there are two different units of analysis being discussed: the individual (i.e. the lives of particular illiterate adults) and the collective (i.e. illiterate adults as a group or collectivity).

No one can seriously deny that some, perhaps a large number, of Canadian adults have experienced economic and social mobility as a result of their participation in basic education classes or a combination of basic education, job training, life skills training, etc. However the effects of these programs might well be quite marginal in terms of the proportion of people they have helped to achieve a non-poverty income. What is being debated with regard to illiteracy is whether or not there is a systematic causal relationship between it and poverty which provides the basis for an educational strategy capable of making major reductions in the incidence of poverty. The critical perspective denies that such a relationship exists. Note however that no question is raised as to the need and right of illiterate adults to literacy and basic education opportunities of whatever form, only whether or not presently existing ones constitute an effective means of reducing poverty as the liberal perspective alleges. On these grounds, the present. should not be seen as an attempt to refute the experience of ABE professionals who can point to instances of success in aiding impoverished adults to achieve mobility, but rather as an attempt to move beyond a form of practice that can deliver only isolated individual successes to one which holds the promise of effectively supporting the final abolition of poverty itself.

The Liberal Perspective on the 1950's and 1960's

The discussions in this chapter is based on data from the decades of the 1950's and 1960's in Canada, the same period that was the source of evidence for the liberal perspective during its initial formulation. Let us begin by briefly reviewing the analysis of this period as presented by Arthur Pigott, former head of the Canadian Association for Adult Education and one of the foremost early adherents of the liberal perspective among adult educators.

Writing in the early 1960's, Pigott suggested that the post-War prosperity of

Canada was coming to an end.[1] The unemployment rate in Canada was higher than in any other Western industrial nation, and many groups and regions were suffering particularly severe hardship:

> We are no longer in the depths of a general depression. Not the majority of us. But there are a great many who are not too enthusiastic about their present conditions or their prospects for the future. The older worker often finds himself in difficulty. Automation is causing layoffs. Farm population is being reduced. The primary industries employ fewer people. Too few of our young people, particularly young men, are able to find employment.[2]

In Pigott's view, the source of the problem was a growing gap between the level of education and training of the workforce and the demands of business and industry:

> There is real reason to believe that our present predicament lies ... in a lack of correspondence between the job demands of trade and industry and the number of workers qualified and available for the jobs.[3]

Basic Education

He argued that many workers faced economic hardship because they lacked sufficient basic education and Job training:

> The solid core of unemployed people continues to rise and we seem to have three or four hundred thousand people who are outside of our useable workforce because they lack knowledge and skills necessary to fit into the needs of a technological age.[4]

As evidence, he pointed out that "more than half of the registrants for unemployment insurance have only a primary school education".[5]

Pigott's solution was to provide general education and job training to adults with employment problems. As for those who lack even a primary school education, "It will first be necessary to give them an 'adult' course in elementary education".[6] He went on to state:

> We know that there is great need for schemes to raise the general level of education in order to give the flexibility so necessary in the world of technological change.[7]

Overall, Pigott stressed the need for workers to <u>adapt to</u> what he clearly implies are inescapable consequences of technological change:

> It is generally accepted that the rapidity of technological change demands

> great flexibility on the part of the work force ... As technological change increases and automation becomes more common, more and more adults will need retraining .... Educational programs must be related to the needs of business, industry and agriculture.[8]

Curious Omission

What is striking about Pigott's account from the point of view of the critical perspective is his failure to subject the capitalist economic structure, particularly the pattern of technological change which it produces, to critical scrutiny. Instead, he views them as unalterable givens of social life, to which governments, adult educators and above all, Canadian workers, must somehow conform. Poverty, regional stagnation, unemployment--these are seen as the penalties for their failure to do so.

Canadian Marxist historian Leo Johnson identifies a "curious omission" in post-World War II studies of poverty and unemployment like Pigott's:

> In these studies the location, social characteristics and personal attributes of the poor have been enumerated, analyzed and commented upon.... In all these studies...there is, however, a curious omission ... no real study has been made of the way that the existence of capitalism, and, in particular, of the way that the capitalist labour market has affected the distribution and levels, of personal income in Canada.[9]

Lacking a critical analysis of the economy, adherents of the liberal perspective like Pigott are blind to the possibility that poverty and unemployment are "built into" the structure of capitalist society. Thus while liberals are aware of some of the larger institutional forces at work creating economic hardship, according to Marxist political economist Howard Wachtel:

> rather than seeking remedies by altering these social institutions .... or searching for ways to break class rigidities, liberals concentrate their energies on trying to find ways to use government either to ease the burden of poverty or assist the individual in adapting to prevailing institutions.[10]

In the present chapter and the one following it, an attempt is made to correct this "curious omission" with regard to the question of the relationship of illiteracy to economic hardship. To this end, the capitalist economic structure is introduced as a primary explanatory variable. The discussion proceeds through the analysis of three basic interrelationships among variables: the relationship of the capitalist economic structure to illiteracy, the relationship of the economic structure to poverty, and finally, the relationship of illiteracy to poverty--as mediated by the economic structure. The first two relationships--i.e. of the economic structure to illiteracy and poverty--is considered in the present chapter. The third relationship--i.e. illiteracy to poverty--is

considered by itself in the following chapter under the heading of "Illiteracy and the Labor Market".

The Capitalist Economic Structure and Illiteracy

Let us begin our critical evaluation of the contention that illiteracy was one of the primary causes of the poverty and unemployment of the 1950's and 1960's in Canada by examining evidence that suggests illiteracy was itself the product of the capitalist economic structure. This provides a useful background for weighing the liberal claim that illiteracy possessed an independent causal significance.

The Concept of Uneven Development

A particularly significant theme in Canadian economic history is that of uneven development. From the point of view of the critical perspective, it plays an important role in the explanation of why Canadian workers entered the 1950's and 1960's period with particularly low levels of educational attainment (and high levels of illiteracy). Let us first briefly examine the concept of uneven development, and then examine its relevance in historical context.

In the vjew of Marxists, the capitalist accumulation process always develops "unevenly". That is, the economic growth and prosperity, i.e. "over development", of particular regions, industrial sectors, social classes, etc. occurs at the expense of the stagnation and decline, i.e. “underdevelopment” of others.[11] We saw in an earlier chapter how this process operates at the level of social classes: the growth and prosperity of the capitalist class comes about through the extraction of the surplus produced by another class---the working class---which itself stagnates. Uneven development at the level of social class in turn creates the conditions for other forms of uneven development, e.g. at the regional and sectoral levels. For example, the stagnation and decline of one geographical region or country--its underdevelopment–may occur because the surplus value which is being created there through the labor of the working class and other subordinate classes (e.g. independent commodity producers like farmers and fishermen) is appropriated by the capitalist class located in another region or country. The latter region or country in turn is overdeveloping at the expense of the former. (Uneven development at the regional level is normally referred to in terms of “metropolis-hinterland” or “center-periphery" relationships.)

Uneven Development in Historical Context

The concept of uneven development is a valuable tool for linking developments in the economic sphere with social phenomena-including education. Let us explore the economic background to the 1950's and 1960's period in Canada, focusing particularly on this link.

Two interacting forms of uneven development, sectoral and regional, have been particularly significant in Canadian economic history. On one hand, economic sectors developed unevenly. Owing to the character of the British colonial occupation of Canada, the Canadian capitalist class was founded on the activities of commerce, finance and transportation, as befitting a "middleman" role in the international staples trade. That is, indigenous capitalists were engaged in extracting, transporting and selling raw materials ("staples") like fish, fur, grain and timber to markets in the metropolitan country (Britain, and later the U.S.), and in turn importing and selling goods manufactured in that country.[12] The fractions of the capitalist class involved in trade, finance and transportation created and maintained economic, political and social conditions in Canada which favored their own interests, and thereby prevented the full emergence of an important competing fraction--Industrial capital. As a result, industrialism has never attained the hegemonic position that . it enjoys in the U.S. and other western nations.[13]

Thus, Canada has been marked by uneven development of economic sectors--i.e. over development of the primary resource extraction sector and the tertiary sector, including trade, finance and transportation, and underdevelopment of the secondary processing and manufacturing sector. An important consequence of this has been continuing political and economic dependency of Canada on metropolitan powers like the U.S. That is, the activities of resource extraction and trade are highly dependent on the demands of manufacturing, and since the manufacturing sectors which consume Canadian resources have historically been located in Britain, and then the U.S., the Canadian capitalist class has been highly dependent both economically and politically on the lead of foreign capitalists. Particularly in the recent past (since World War II), the growth and well-being of the Canadian capitalist class has hinged on an unequal and dependent junior partnership with U.S. capital.[14]

This uneven sectoral development, with its profound economic and political consequences, has interacted with uneven regional development. That is, the capitalist class, concentrated in the central Canadian Toro to-Montreal-Ottawa “golden triangle”, have cooperated as junior partners of U.S. economic elites in, locking eastern and western Canadian hinterlands into the role of supplier of staples like timber, pulp, minerals, fish, wheat, petroleum, etc. for the huge U.S. market, and to a lesser extent, the relatively underdeveloped central Canadian manufacturing sector.[15] This can be termed regional underdevelopment because as the capitalist classes of both countries have extracted the surplus created by workers in Atlantic Canada, the Prairies, Quebec, the-North and rural Ontario, they have (through financial and political means) blocked the formation of local processing and manufacturing industries and other business activities in those areas which would have had the effect of diverting or capturing some of the outflow of value. Without stable and self-sufficient economic patterns, the hinterland regions have tended to prosper during periods of intensive resource exploitation and to stagnate afterward.[16]

These interacting patterns of sectoral and regional underdevelopment have retarded the development of education in Canada, and particularly in the hinterland

regions. Let us examine how this has come about.

The Underdevelopment of Education in Canada

Industrialism provides a spur to the growth of schooling by increasing the demand for skills, including cognitive ones, in the labor force. Because of the relatively weak position of industrial capital, this stimulus has not been as strong in Canada as in other Western countries.[17] For example, we have seen that Canada did not develop a vigourous indigenous manufacturing sector. As well, until the 1950's, the resource sector has not developed capital intensive extractive techniques. That is, the natural resources of the hinterlands-e.g. timber, minerals-were so abundant, so accessible and of such high quality that investors ignored the certain prospect of depletion and scarcity. Instead of gradually increasing capital investment ratios to make use of more efficient and productive technologies, they continued to utilize the more wasteful but more immediately profitable labor-intensive production techniques.[18]

In the absence of a vigorous manufacturing sector, and without gradual “industrialization", i.e. mechanization, of the resource sector, there was little pressure on the Canadian state to modernize education, and educational attainment levels in Canada stagnated relative to more industrialized nations like the U.S. (As well, because of the extraordinary reliance of Canada on labor-intensive techniques in its primary resource sector, an even larger number of immigrant laborers--largely unschooled--were drawn to Canada than to the U.S. in the pre-1950's period, further lowering the average attainment level of Canadians relative to Americans.) By 1965, 42.4% of adult Canadians had only an elementary education or less, while 'just' 28.8% of Americans had this level of attainment.[19] As an economically underdeveloped resource hinterland of the U.S., Canada was socially--including educationally--underdeveloped as well.

The same relationship obtained <u>within</u> Canada as well. That is, the economic underdevelopment of Canadian hinterland are as by capitalists located in central Canada was paralleled by the social underdevelopment of those areas relative to central Canada. One of the most important manifestations of this has been the slow development of schools and educational attainment levels in eastern, western and northern hinterlands.

For example, without stable and self-sufficient economic patterns, Canadian hinterlands have lacked a provincial and local tax base sufficient to support the construction of a proper social infrastructure, including schools.[20] This has meant that schools have been less numerous and of inferior quality in comparison with metropolitan (particularly central Canadian) areas. As well, owing to the nature of hinterland occupations., children in these areas have not been able to attend as regularly and as long. That is, without recourse to stable year-around employment that local manufacturing would have supplied, hinterland workers have been disproportionately dependent on resource sector employment-fishing, farming, logging,

mining, etc.--which is characterized by seasonal and "boom and bust" patterns of cyclical unemployment and economic hardship. Owing to this pattern, children in hinterlands have more often lacked school clothes, lunches, materials, etc. needed in school, have had to help at home and interrupt their attendance at school, and have had to leave home and school earlier than normal to engage in productive labor.

The content of schooling in hinterland areas was also affected by the pattern of underdevelopment. That is, members of subordinate classes in hinterland areas received little benefit from the educational reforms that were introduced between 1900 and 1950. These were designed less to increase the quality of education than to increase the level of social control over future resource sector workers in view of the threats to the existing pattern of class domination posed by Prairie radicalism and events like the Winnipeg General Strike of 1919. An example was the effort to direct education to the "Canadianization" of the immigrant--i.e. the Inculcation of dominant attitudes and values.[21]

Thus, a variety of factors stemming from uneven regional development in Canada caused educational attainment levels of hinterland workers to stagnate, particularly among members of subordinate class engaged in primary resource occupations. This is indicated in figures showing substantial inequalities in attainment across Canada. By 1951, 7.2% of all workers in Canada had grade 4 education or less, while 43.5% had 5 to 8 years of schooling. Overall, primary sector workers had much lower level of attainment--14.3% had grade 4 or less, and 6.2.5% had 5 to 8 grades. By contrast, among workers in urban based manufacturing, 6% had grades 4 or less, and 52.1% had grades 5 to 8. White collar workers showed much higher levels of attainment, with only 1.6% in the category of 0 to 4 years of education, and only 18.6% in the category of 5 to 8 years.[22] Hinterlands showed low rates of attainment relative to metropolitan--i.e. central Canadian --areas in the 1951 period. For example, while 48.7% of Ontario adults had an elementary education or less in 1951, the figures for hinterland provinces, included Saskatchewan 58.2%, Newfoundland, 70.7%, and Quebec, 63.1%.[23]

To summarize, it has been suggested that the uneven course of capitalist economic development in the pre-1950's period produced unusually low rates of educational attainment in hinterland areas relative to central Canada, and in Canada relative to the U.S. These low levels of attainment prompted Canadian sociologist John Porter to remark that Canada was poorly prepared in terms of education for the rapid economic changes that were to come after 1950.[24] We will now explore these changes, and examine evidence for the liberal view that the low educational attainment of the workforce was the main cause of unemployment and poverty in the 1950's and 1960's period.

The Capitalist Economic Structure and Poverty

We saw earlier that the economic changes of the 1950's and 1960's period were

accompanied by acute levels of poverty and unemployment. Adherents of the liberal perspective have tended to view these economic changes as part of an inevitable process of technological advance and economic modernization, and have located the cause of the accompanying hardship in the inability of undereducated workers to adapt to them. However, adherents of the critical perspective would offer a quite different analysis. They would point out that under the guidance of Canadian and U.S. economic elites, the accumulation process developed in a particularly distorted and uneven way during this period. The same economic structure which had economically and socially (particularly educationally) underdeveloped the hinterland workforce prior to 1950, proceeded after 1950 to subject it to extreme economic dislocation. From this point of view, the low level of education of hinterland workers cannot be said to be the primary cause of the resulting poverty and unemployment--this distinction belongs to the capitalist economic structure alone. Let us examine evidence on this question.

The Creation of a Surplus Population

After World War II, but particularly after 1950, uneven sectoral development was to intensify in Canada. Consistent with their historical role as unequal and dependent junior partner of U.S. economic interests, the Canadian capitalist class, together with then capitalist state, facilitated the direct investment of billions of dollars in the primary extractive and manufacturing sectors by huge U.S. multinational corporations.[25] The resulting changes--the rapid mechanization and economic concentration of the primary sector and the “deindustrialization” of the manufacturing sector (i.e. the loss of plants and jobs to the U.S. and other areas) represented severe distortions in the Canadian economy with profound social consequences.[26]

On one hand, over the span of just a decade, billions of U.S. dollars flowed into the development of resource industries to feed post-War recovery and expansion in the manufacturing centers of the U.S. and Europe. The task of the "industrialization" of resource extraction, which had for so long been delayed by the central Canada-based capitalist class (in its economic role as middleman between Canadian hinterland resources and foreign markets), was finally accomplished. However, what could have been accomplished gradually through internal Canadian development in the pre-1950's period was done rapidly and precipitously "from the outside", i.e. by U.S. capital. The human cost of this distorted pattern of development was immense. Employment shrank rapidly as in the span of a decade, mining, forestry, fishing and agriculture were transformed from what were in 1950 still heavily labor-intensive industries employing pre-industrial production modes to highly concentrated, capital-intensive industries utilizing large, expensive machinery and advanced production techniques. [27] In 1945, 30% of the workforce was in the primary sector; by 1969, only 10% was.[28] Many jobs disappeared and for the ones that remained, employers demanded higher education levels than were possessed by a large part of the hinterland work force. The steepest decline was registered in agriculture, where factors like falling returns to farmers due to the growth of U.S. dominated processing industries, the competition of corporate-owned farms and the escalating costs of new mechanized farm implements combined

to drive increasing numbers of small farmers off their land.[29] (Actually, the rural depopulation process had been going on for many years; however, during the 1950's it accelerated.)

The rapid repulsion of labor from the primary sector throughout the 1950's produced a large, ill-educated and increasingly impoverished "surplus population" (i.e. surplus to the average needs of the economy) in hinterland areas. Journalist Barbara Moon wrote in 1961:

> They are confined to the rude laboring jobs that are most apt to be seasonal-those in farming, mining, logging, trapping, fishing and construction. Their jobs, as the current unemployment crisis has made plain, are the first to vanish in a recession. Studies of change in the economy also show that the jobs they used to have may never reappear. "They frighten me", says Arthur Pigott, the new head of the Canadian Association for Adult Education. "They show that, sorted' by education, a whole group in modern society can, almost in one generation, get left behind, become surplus."[30]

Census figures from 1971 confirm their low levels of educational attainment. While 37.5% of all adult Canadians had 8 or fewer years of schooling, the rates for sub-groups disproportionately inhabiting the surplus population include Native Indians in rural areas, 72.8%; Innuit in rural areas, 92.8%; French-speaking in Canada, 54.9%; residents of Newfoundland, 49.4%, rural Manitoba, 48%, rural Saskatchewan, 44.4%.[31]

Many members of this ill-educated surplus population stayed behind in the Prairies, Atlantic Canada, rural Quebec and other hinterland areas to cling to what remained of declining opportunities in unskilled primary sector employment and marginal farming, often inhabiting what were becoming rural slums. However, many more joined what became an historic rural to urban trek in search of employment, directed toward what were becoming urban ghettoes in Toronto. Winnipeg, Montreal and Vancouver. [32] Here they were joined by recent immigrants from countries like Greece. Portugal and Italy, who had themselves been displaced from traditional forms of agricultural labor and subsistence activities by the capitalist penetration of rural areas in their homelands, and had been lured to Northern Europe and North America to supplement internal labor supplies.[33] Like the internal migrants, a large proportion were unskilled and ill-educated.

However, these surplus laborers found few openings in the traditionally high pay urban manufacturing sector. Unlike the situation in other Western countries, the Canadian manufacturing sector had been to a significant extent been taken over by U.S.-based multi-national corporations, and these maintained branch plants here. A significant proportion of branch plant profits were flowing southward rather than financing manufacturing growth in Canada. As well, much of the more highly skilled and highly paid production work was being conducted at parent companies in the U.S.

or broken into simpler operations and performed where labor costs were cheaper, both in North America and the Third World. Thus, while markets for manufactured goods grew rapidly in Canada after World War II, employment opportunities in manufacturing were stagnating.[34] Those manufacturing industries which were prospering in Canada, such as auto manufacturing, steel and petro-chemical production, were becoming increasingly automated, and could absorb relatively few new workers.

However, many jobs did become available in the 1950's and early 1960's in low-wage industries. In fact, the rapid development of personal service occupations (e.g. retail trade, security services, hospital work, building maintenance, etc.) and low-wage manufacturing jobs (e.g'. food processing, textiles, the garment industry, etc.) was in large part made possible by the availability of so many impoverished surplus workers, forced to accept employment on any terms.[35]

Summary

To summarize the movements of capital and labor in the 1950's period, large numbers of workers were cast out of the primary sector, denied entry to a stagnating durable goods manufacturing sector, and made the “lever” for the rapid development of the low-pay service and non-durable manufacturing sectors. It is in this massive uprooting of subordinate classes and their subsequent transformation into a particularly exploited stratum of the urban working class that the critical perspective would locate the most important source of poverty and unemployment in the 1950's and 1960's period. The stratum of native and immigrant workers implicated in these movements are sometimes referred to as "dirty workers" or the “working poor” when they are employed, or the "underclass", "sub-proletariat" or “hardcore poor” when they are not. We have termed them the surplus population, referring to the fact that whether we are speaking of welfare clients, low-wage workers or the chronically unemployed, we are discussing members of the. working class who are surplus to the average needs of capital. As we saw in an earlier chapter, some of the most vulnerable among them are women, teenagers, the aged, minorities, those without job skills, those lacking educational credentials and those without fundamental literacy and numeracy skills.

Critique of the Liberal Analysis

As we have seen, adherents of the liberal perspective like Arthur Pigott consider the economic changes of the 1950's as more or less natural and inevitable manifestations of technological change and economic modernization. This assumption is crucial, for it provides the basis for their view that the onus for the poverty and unemployment of the 1950's and 1960's period rests on the low level of education and training of the Canadian workforce, which is seen as having impaired the ability of workers to adapt to the new occupational demands. However, sociologist Wallace Clement rejects this assumption, arguing that the uneven economic development which led to the massive uprooting and impoverishment of members of subordinate classes in the 1950's period was "the product of a series of actions and institutions created and

alterable by man" [36]. He suggests that to consider the pattern of uneven development as "natural" or primarily due to geography or historical accident "ignores the realities of power and the control some men have over the lives of others".[37]

Regions

For example, economic development could have occurred more evenly across the regions of Canada, but for the actions of metropolitan capitalist elites. Bowles and Craib observe:

> It is important to note that...under certain conditions --- metropolitan exploitation of resources in a hinterland lead(s) to the establishment of stable and self-sustaining economic patterns in the hinterland. If the staple trade is conducted in such a way that local entrepreneurs can accumulate capital and if there are local resources and access to markets which make possible the development of other industries, there is the potential for economic growth which is not dependent on the staple as such. In the absence of these conditions, a hinterland is likely to flourish during a period of staple exploitation but to stagnate or decline afterward.[38]

That such a pattern has not characterized Canadian economic development can be laid to the historical role of Canadian capitalist economic elites, concentrated in central Canada, who facilitated the transference of the surplus created in hinterland areas to central Canada and the U.S. Sectors.

Furthermore, the pattern of uneven sectoral development in Canada cannot be considered to have been inevitable. According to Clement, a quite different pattern emerged In other Western nations:

The decline of the primary sector is not an uncommon phenomenon in industrialized nations. Typically, however, it results in a rise in the secondary sector and only much later in an expansion of the tertiary (service) sector. In Canada the decline of the primary sector is matched by a rise in the tertiary sector, and remains unchanged in the secondary sector.[39]

As we have seen, the failure of the secondary manufacturing sector to grow, with all of the severe consequences of this for the labour market in Canada, can be laid to the continuing dominance of commercial, financial, and transportation interests in the Canadian capitalist class, and their function as dependent middlemen in the takeover of the primary and secondary sectors by U.S. economic elites after World War II.

Technological Change

Finally, the introduction of labour-saving technology in the primary extractive

sector need not have led to the creation of a large unemployed and underemployed surplus population even allowing for the low level of educational attainment, of the Canadian workforce. Labour-saving technology could have been employed instead to reduce the burden of work and reduce the length of the working day for hinterland workers. However, in the context of the on-going competitive struggle among capitalists, labour-saving technology is seen in only one light--as a means of replacing workers and lowering the wage bill.

Workers have often resisted this pattern of technological change which occurs at their expense. Employers and the capitalist-controlled media refer to such options with pejorative terms like "featherbedding". An example of this is provided in the railroad industry, in which workers have had some success in controlling the pace and consequences of technological change. James O'Connor observes:

> In this industry, technological change and expanded productivity have slowed down', and at times have come to a halt, in part precisely because the railroad workers have attempted to resist the bifurcation of the work force into one group of privileged employed workers and another group of impoverished- unemployed workers.[40]

The struggle of railroad workers illustrates an alternative vision of economic development--i.e. development which is not accomplished at the expense of working people. However, this vision is not compatible with the tenets of 'If reeenterpri sell capitalism, and can only be viewed by capitalists and their apologists as an attempt to "obstruct progress".

Summary

It is evident that the liberal perspective is incorrect in its conclusion that the economic changes of the 1950's in Canada can be explained through the uncritical reference to "technological necessity" or "economic modernization". Factors like the economic and social underdevelopment of Canadian hinterlands by metropolitan capitalist elites, the takeover of key sectors of the Canadian economy by U.S. interests after World War II and the uncoordinated and disruptive mechanization of the primary sector--these are all products of decisions and actions of capitalist economic elites which in an important sense have been limited or constrained by the nature of productive technology available to them, but which have not been dictated by it, as the liberal "technological necessity" assumption suggests.

Capitalism and Poverty

It is important to point out once again that capitalist development is by its nature uneven, and this means that poverty and unemployment are normal byproducts of it. Particular geographical, political, cultural, or ideological forces may modify the pattern of development in such a way as to reduce the extent of unevenness, or mitigate its

social consequences somewhat, but as long as the production process is found upon the principle of maximization of private gain, they cannot prevent it..

Sudden Expansion

Capitalist economic development, as based on competition and governed by the "free market", is by its nature unplanned and uncoordinated--in Marx's term, “anarchic". Periods of rapid expansion of production are followed by inevitable periods of stagnation, as markets become glutted with goods and demand fails to keep pace. This pattern occurs both across the economy as a whole (e.g. in 1982, Canada is in the midst of a prolonged period of stagnation) as well as unevenly across production sectors (e.g. during the .19501s, the service sector expanded while the manufacturing sector stagnated).

The periods of sudden economic expansion, e.g. in a particular production sector, require the existence of a mass of unemployed and underemployed workers who can be called up without depleting the workforce employed in already established spheres of production. (For example, we have seen how the expansion of the service sector depended upon the existence of a mass of unemployed workers forced to accept low-wage employment in order to subsist.) Such a surplus population is more or less constantly being created in a capitalist society through three main processes: periods of general stagnation across the economy, when unemployment levels rise; when technology "sets free" workers from established spheres of production (as was the case during the 1950's); or when immigration policy of the capitalist state draws to Canada workers who have been "set free" by capitalist penetration of agricultural regions of their home countries.

Condition of Existence

The on-going creation and re-absorption of a surplus population--a process always accompanied by insecurity, poverty and misery for those who inhabit it--is one of the "conditions of existence" (in Marx's word s) of the capitalist accumulation process.[41] Without it, economic development in a capitalist society would not be possible. Canadian sociologist W.E. Mann observes that:

> Any serious student of economics or sociology... realizes that the roots of poverty in Canada and the U.S. reach down into the depths of our social system .... In fact, as long as our economy is dominated by monopoly capitalism or any other form of such enterprise, and our society is permeated by values of personal gain, the primacy of private property and the protection of the wealthy, a great deal of poverty will be inevitable.[42]

Similarly, Canadian economist Cy Gonick asserts that:

> However much capitalism has changed in modern times one thing seems

> certain: it has not yet relegated poverty to a residual position in Canada or in any other western economy. Nor...is it likely to.[43]

He asserts that the "root condition that generates poverty" in a capitalist society like Canada is "capitalism itself". [44]

Clearly this conclusion is in direct conflict with the view of adherents of the liberal perspective, who locate the principal cause of the unemployment and poverty of the 1950's and 1960's period in the low level of educational attainment of the workforce. As we discovered in a previous section, the low educational attainment of hinterland workers before 1950 was itself a consequence of the same economic structure that after 1950 proceeded to impoverish them. Therefore, for the liberal perspective to place the onus on workers--i.e. their low level of educational attainment--is to indulge in “blaming the victim”.

NOTES TO CHAPTER 8

1. A.V. Pigott, “Learning and Working,” Continuous Learning 1:1 (January-February 1962), p. 32.

2. Ibid., p. 34.

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