Document généré le 24 avr. 2024 14:43

Acadiensis

ACADIENSIS

The Wheat Trade and Economic Development in Upper and Lower Canada

J. I. Little

Volume 11, numéro 1, autumn 1981

URI : https://id.erudit.org/iderudit/acad11_1rv04

Aller au sommaire du numéro

Éditeur(s)

The Department of History of the University of New Brunswick

ISSN

0044-5851 (imprimé)
1712-7432 (numérique)

Découvrir la revue

Citer ce document

Little, J. I. (1981). The Wheat Trade and Economic Development in Upper and Lower Canada. *Acadiensis*, *11*(1), 141–151.

All rights reserved © Department of History at the University of New Brunswick, 1981

Ce document est protégé par la loi sur le droit d'auteur. L'utilisation des services d'Érudit (y compris la reproduction) est assujettie à sa politique d'utilisation que vous pouvez consulter en ligne.

https://apropos.erudit.org/fr/usagers/politique-dutilisation/

érudit

Cet article est diffusé et préservé par Érudit.

Érudit est un consortium interuniversitaire sans but lucratif composé de l'Université de Montréal, l'Université Laval et l'Université du Québec à Montréal. Il a pour mission la promotion et la valorisation de la recherche.

https://www.erudit.org/fr/

Canada and the United States than the revolution against colonialism which was being celebrated at this conference.

A second difficulty anticipated at the pre-planning conference was that "few scholars have studied the same elements in both Canadian and American development" (p. 10). In this regard, it must be noted that Professor Ely does not make mention of legal development in Canada, Professor Bissell discusses only Canadian aspects of learning and the arts and Professor Rocher's paper can be linked to the heritage of the American Revolution (a task he does not pretend to do) only by the most generous stretching of one's imagination. Some of the papers which do attempt a comparative analysis reveal another aspect of the problem. As Professor Presthus remarks, "a review of Canadian history leaves the foreign observer with conflicting impressions, perhaps especially when he brings to it the assumptions of American ideals and experience" (p. 107). To this reviewer, at least, both Professor Presthus and Professor Albinski use such assumptions in their evaluations of the history of Canadian political life and thereby weaken their essays as examples of comparative analysis.

What has all this to do with the "relevance" of Canadian history? That depends. If the relevance of Canadian history is to be found in its relation to the "histories of other communities", the Goodman Lectures illustrate a mechanistic but suggestive method of testing relevance. *Perspectives on Revolution and Evolution* carries that process a step further by highlighting more specific areas for examination than those in Professor Winks' lectures. The papers in that volume also signal some of the problems of applying the comparative method and reveal the weaknesses as well as the strengths of this approach to historical study. But if "relevance" is more than a problem in method, if it is to see the history of Canada in a "more penetrating way than casual sight" affords, then one must read and wonder at the luxuriant detail, astonishing scope and shrewd insight in the essays of a master craftsman like W.L. Morton.

ROBERT CRAIG BROWN

The Wheat Trade and Economic Development in Upper and Lower Canada

In recent years the study of the wheat staple as a prime determinant for Canada's economic development has moved beyond the Prairies in the National Policy years to early nineteenth-century Lower and Upper Canada. While the books reviewed here introduce certain refinements to the staple thesis, they all agree that the dominance of wheat was not only inevitable but crucial to economic growth and diversification, and they all reflect a strong sense of geographic-economic determinism. *The Upper Canada Trade: A study of the*

Buchanans' Business (Toronto, University of Toronto Press, 1979) by Douglas McCalla, for example, demonstrates that while wholesale importing to supply immigrant pioneers pre-dated the wheat trade as a source of urban concentration and capital accumulation in Upper Canada, these same wholesalers were soon exporting wheat and concentrating their import sales in the best wheat-producing areas. McCalla describes in detail the role of Peter Buchanan and his energetic but erratic brother Isaac in the rise and fall of the family wholesale business, and he is careful to stress that local factors helped to determine the impact of the international trade cycle on the business, but in the end it is clear that the firm's fate was tied to the unfolding of the trans-Atlantic wheat trade.

Gerald Tulchinsky's *The River Barons: Montreal Businessmen and the Growth of Industry and Transportation, 1837-53* (Toronto, University of Toronto Press, 1977) similarly argues that the Upper Canadian wheat staple was the basis of Montreal's commerce and the key to that city's steamboat and railroad enterprises, which in turn spawned most of the heavy industries. While Tulchinsky describes flesh and blood people, as well as impersonal economic forces, in the end he is content to praise "the mobility and diversity of entrepreneurial behaviour in Montreal" (pp. 102-3) without suggesting that these gave Montreal any particular advantage over competing cities. He is even less willing to postulate any connection between culture and business ability, particularly in the negative sense:

> Fernand Ouellet's notion of "mentalité" is of limited use, because to suggest that it is in the "nature" of the French Canadian to want to remain a small businessman is to imply further that the French-Canadian businessman or farmer was not interested in the pursuit of maximum economic gain and lacked the necessary drive, flexibility, ingenuity, and ruthlessness of a real entrepreneur. His values were different from those of the *Anglais*, they were spiritual, rural and familiar; he was a peasant *tout simple*. Such a view is too exaggerated to be persuasive (p. 17).

The implication of Tulchinsky's analysis is that the French Canadians' problem emerged basically from the incapacity of their soil to produce wheat, the key to prosperity in the Canadian colonies.

In spite of the criticism Ouellet has suffered for his "mentalité" thesis, even his interpretation is basically a materialist one. *Le Bas-Canada 1791-1840: Changements structuraux et crise* (Ottawa, Les Editions de l'Université d'Ottawa, 1976) traces most of Lower Canada's social, political and economic problems back to the agricultural crisis.[1] Dismissing the old clerico-nationalist assumption that the French Canadians were somehow congenitally predisposed

1 Ouellet's work has been recently translated as *Lower Canada 1791-1840: Social Change and Nationalism* (Toronto, McClelland and Stewart, 1980).

to spiritual as opposed to material pursuits, Ouellet stresses the economic "conjoncture" of Lower Canada as the determining factor in the perpetuation of values inherited from the Ancien Régime. Because the French and British imperial frameworks failed to provide satisfactory markets for the agricultural production of the St. Lawrence Valley prior to the 1790s, the habitants were forced to follow a fundamentally subsistence economy based on the cultivation of wheat, their dietary staple. French-Canadian society actually became more and more rural after the Conquest, as demographic growth resulted in a smaller percentage of the habitants taking part in the fur trade. Yet French-Canadian farmers for a time were able to respond to the growing British demand for wheat after 1790 simply by expanding their agricultural holdings rather than improving their primitive farming techniques. Ouellet assumes, therefore, that generations of wheat farming without the need for fertilizer and crop rotation became such an ingrained custom that in the early nineteenth century the habitants resisted making those improvements which would have been in their own self-interest.

Since forces of concentration eliminated the small family-oriented enterprises after the American Revolution, control over commerce was wrested from the French-Canadian merchants: "La bourgeoisie marchande se recruite a partir de deux sociétés différents; le marchand canadien-français vient d'une société qui se ruralise de plus en plus et l'immigrant anglophone, arrivant d'Angleterre, d'une société dans le processus industriel" (p. 16). Without social leadership from a dynamic French-speaking merchant class, the Catholic Church and the seigneurial system became entrenched in Lower Canada, and the educated Canadian lay elite turned to the liberal professions for advancement. In their own selfish interests, this new middle class helped the Church to develop and to propagate the agrarian myth, which further retarded the economic development of French Canada. Fundamentally, therefore, the anti-capitalist aspect of the French-Canadian "mentalité" was itself the product of certain basic material conditions which had existed for several generations. The real tragedy of Louis-Joseph Papineau was that he was unable to rise above a role predetermined by his own socio-economic position.

John McCallum's *Unequal Beginnings: Agriculture and Economic Development in Quebec and Ontario until 1870* (Toronto, University of Toronto Press, 1980) states the geographic-economic thesis most explicitly and most forcefully: urban growth and industrial development were concentrated in Montreal and the area northwest of Lake Ontario simply because they serviced the wheat trade. Like Tulchinsky, McCallum attacks Ouellet's thesis that French-Canadian cultural values affected their socio-economic evolution: "altogether too much importance has been attached to the alleged conservatism, backwardness, ignorance, and other unenterprising qualities of the unfortunate habitant. These characteristics were more a consequence than a cause of the Quebec farmer's economic plight" (p. 5). McCallum cites numerous secondary sources,

including Kenneth Kelly for Upper Canada, to show that extensive, soil-mining agriculture was the norm in North America where land was relatively cheap, labour expensive, and markets insecure. Lower Canada's misfortune was that because the St. Lawrence Valley had been farmed much longer than Upper Canada's soil, it was nearly exhausted for wheat production by the time that British demand became strong and dependable. By taking advantage of this external market, Upper Canada's farmers were able to accumulate enough capital to make a fairly smooth transition to coarse grains, livestock, and dairy products when western competition and depleted soil conditions threatened their wheat economy in the sixties. Through no fault of their own, the French Canadians simply could not acquire the financial resources necessary to buy enough machinery and cattle to take advantage of the expanding local, American, and British markets for animal products. Consequently, during the 1850s and 1860s the average Quebec farmer's cash income from sales averaged only one-fifth to one-quarter that of his Ontario counterpart.

By contrast, Ouellet argues that the habitants could have reoriented their agriculture to oats as early as the first decade of the nineteenth century, presumably because of the internal demand created by the timber industry. But he weakens his own case by showing that the local market prices for oats, as for beef, pork, and butter, declined significantly after 1825. Because of increasing American competition on the Montreal market, even the livestock-oriented farmers of the English-speaking townships suffered a setback in agricultural production between 1831 and 1844. Ouellet would argue that the failure of the habitants to switch from wheat earlier in the century proves that they were not sensitive to market demands anyway; nevertheless the price of wheat remained approximately twice as high as that for oats even before 1830. Furthermore, the best market for oats was Quebec because of its proximity to the logging camps, and the Quebec district farmers did diversify their agricultural production to a greater extent than did those in the Montreal area.

McCallum's analysis would therefore appear to be basically correct for the pre-1850 period, but he is less convincing in his chapter dealing with the following twenty years. After 1850, markets for all types of agricultural produce improved markedly, but McCallum argues that "any venture into commercial production would have involved considerable expenditure for better breeds of livestock, better shelter during the winter, and more abundant supplies of feed for the animals" (p. 42). But the French-Canadian breed of cattle was quite satisfactory given proper treatment,[2] shelters could surely not have been difficult to build, and feed could obviously be grown by the farmers themselves. There is no doubt that most French-Canadian farmers were deeply in debt by mid-century, but the capital advantages of their Upper Canadian counterparts

2 See J. Hamelin and Y. Roby, *Histoire économique du Québec, 1851-1896* (Montréal, 1971), pp. 203-4.

should not be exaggerated, for evidence presented by David Gagan strongly suggests that they remained land-rich and capital-poor during this period.[3]

Gagan claims that increased accumulation of land in Upper Canada simply represented the uneconomical desire of farmers to provide an inheritance for all their sons, but it may in fact explain why Upper Canada made a relatively smooth transition from a cash crop to a livestock and dairy economy with its demand for larger agricultural units. The very small size of the French-Canadian farms had been a serious handicap even in the wheat era, and here cultural values did play a role. French and English Canadians had the same system of land inheritance in the nineteenth century, but one recent study suggests that French Canadians had a greater tendency than their Scottish neighbours to subdivide their property and engage in the timber industry in order to resist emigration.[4] This resistance to rural depopulation was also reflected by the report of the 1850 Special Committee on the State of Agriculture in Lower Canada, which failed to recommend improved farm machinery, while describing the resistance of the habitants in certain parishes to the introduction of threshing mills.[5] In spite of the growing shortage of seigneurial land by the 1820s, relatively few French Canadians moved to the booming western frontier of Upper Canada or the United States. McCallum himself points out that if Lower Canada's population had grown at the same rate as New England's between 1820 and 1850, it would have numbered 703,000 by the latter date, instead of 890,000. The French Canadians' strong family and parish-centered social system, as well as their reluctance to migrate to Anglo-Protestant territory, are cultural factors which cannot be ignored when attempting to explain the serious agricultural problems of Lower Canada.

Turning to commercial development, McCallum demonstrates that the fastest-growing urban centres of Upper Canada were widely dispersed in the triangle between York County, the Niagara River, and London in order to service the wheat trade. By 1850 only one-quarter of the urban population was concentrated in the two largest cities, Toronto and Hamilton, in contrast to Canada East where three-quarters were to be found in Montreal and Quebec. At first one of the major forces for urban centralization in Upper Canada was the large wholesale firms which supplied the small-town and country merchants with imported goods. We must turn to McCalla's *Upper Canada Trade* to appreciate the crucial role played by the wholesalers early in the nineteenth century. The Buchanan brothers of Glasgow began their operations in the 1830s

3 See D. Gagan, "Land, Population, and Social Change: The 'Critical Years' in Rural Canada West", *Canadian Historical Review*, LIX (1978), p. 301.

4 J.I. Little, "The Social and Economic Development of Settlers in Two Quebec Townships, 1851-1870", in D.H. Akenson, ed., *Canadian Papers in Rural History, I* (Gananoque, Ontario, 1978), p. 98.

5 C. Blouin, "Le mécanisation de l'agriculture entre 1830 et 1890," in Normand Séguin, ed., *Agriculture et colonisation au Québec — Aspects historiques* (Montréal, 1980), p. 94.

as suppliers of British trade goods to the expanding Upper Canadian frontier. They were able to form strong ties with selected local merchants partly because of their close contacts with British suppliers, but more importantly because the capital-starved retailers generally needed eighteen months' credit. Only the larger firms enjoying the confidence of British banks could operate on such a long-term basis.

Yet, in the long run, the wholesalers were a relatively weak centralizing force, for branches had to be maintained fairly close to their retail clients. Firms such as the Buchanans had to expand thir operations geographically in order to meet competition from newcomers who would import more directly and thus more cheaply to their customers. The best markets were clearly the more productive wheat-growing areas, where cash was most readily available. Quite naturally, the Buchanans began to export wheat to Great Britain, and the firm moved its centre of operations progressively westward from Montreal to Toronto to Hamilton, finally opening a branch in London in order to gain closer access to the wheat farmers' service centres. For a time, London actually threatened to eclipse its eastern partners, but the process of decentralization was interrupted in the late fifties when the agricultural frontier ceased to expand, thereby increasing competition among firms and cities. Equally important, the arrival of the railroads made it easier to supply the hinterland from central areas. As a result, the Buchanans' sales through London grew more moderately than through Hamilton in the late 1850s and early 1860s, while the fate of Hamilton as a commercial competitor for Toronto was sealed by the Grand Trunk Railroad's completion across western Upper Canada in 1859. Between 1856 and 1862 Toronto fell further behind Montreal as a commercial importer, but Toronto had the advantage of an alternate trade route and alternate suppliers through the United States, and by 1870 it had regained the position it had earlier occupied relative to Montreal.

Montreal may not have been able to dominate completely the Upper Canada trade, but McCallum's *Unequal Beginnings* stresses how important that trade remained to the life-blood of the city. Upper Canada provided the great bulk of Montreal's exports and absorbed perhaps half of its imports throughout much of the pre-Confederation period, and other Lower Canadian towns also benefitted little from their own agricultural hinterlands. Quebec, with its timber trade and its wooden ship-building industry, was the only major urban centre outside Montreal.

If basic geographic and economic factors explain the contrasting commercial development of Upper and Lower Canada, what of the subordinate role played by the French Canadians within the Lower Canadian entrepreneurial community itself? Both *The Upper Canada Trade* and *The River Barons* demonstrate how important personal and family connections were in the formation of trading companies. Tulchinsky finds that American immigrants dominated the early New York State-to-Montreal staples trade, while the British

connection was controlled by the powerful Scots, capitalizing upon the position they had established during the fur trade. McCalla shows that, as relative latecomers, the Buchanans represented the search for new economic outlets on the part of a rapidly industrializing Glasgow. Grain merchants such as the Buchanans tended to establish direct contacts with the retail merchants in Upper Canada, and Montreal's French-Canadian merchants were left with the internal trade of Lower Canada, particularly that of the Richelieu Valley and the St. Lawrence between Montreal and Trois-Rivières. The importance of ethnic solidarity in establishing these trade connections is illustrated by Isaac Buchanan's statement (exaggerated as it may have been):

> The wonderful success of my operation in Canada may be to a great extent attributed to my solemn determination not to trust Yankees and my exercising the most vigorous scrutiny before doing business with a man Canadian born — this drove me to a system of rearing up a new set of customers for myself who are generally two young Scotchmen associated as partners and every such concern that we supply in the Colony is now doing well.[6]

The Buchanan experience therefore supports Tulchinsky's thesis that any explanation of the French Canadians' relatively small role in the Montreal business community must be placed in the context of the declining St. Lawrence Valley wheat economy:

> For the French Canadians to have made the switch to the west would have required the accumulation of practically a whole new set of business tools: an intimate knowledge of the staple-producing regions, the establishment of reliable agents there, and the creation of a substantial line of credit with banks and respect for their notes where they were hitherto unknown. Credit from British manufacturers and suppliers would also have been indispensable. . . (pp. 17-8).

Geography and language barriers, not cultural values, would therefore explain the restricted French-Canadian commercial role, but Tulchinsky does find that the French Canadians were hesitant to participate in joint-stock ventures or railroads. According to Ouellet, between 1768 and 1790 only 10 per cent of the French-speaking merchants participated in partnerships, in contrast to 49 per cent of the English, and the former group was slower to switch from canoes to the larger flat-bottomed "bateau". Tulchinsky argues, however, that the history of Canadian shipping firms, particularly la Compagnie du Richelieu, indicates that the francophones were as "aggressive and flexible in

6 Quoted in McCalla, p. 38.

business as other Montreal businessmen, and that many of them were fully capable of adjusting successfuly to the mid-nineteenth century challenges in transportation" (p. 67). Since French Canadians were willing to invest in railroads which were primarily designed to serve Lower Canadian customers, French-Canadian cultural values were not the crucial factor in determining the position that they would take in the Canadian commercial economy. Tulchinsky might also argue that geographic trade links explain the high percentage of English-speaking merchants discovered by Ouellet in many largely French-speaking seigneuries.

The geographic thesis is not so applicable to the realm of industrial production. Ouellet states that the rural or small-town anglophones were dominant in breweries, distilleries, paper factories and other manufactures, and Tulchinsky admits that only one of thirty-odd industrialists on the Lachine Canal was a Frech Canadian. Presumably personal external trade connections were not of great significance in establishing a factory, even though the principal markets were in Upper Canada. Furthermore, Tulchinsky himself argues that French-Canadian success in the complex shoe industry proves that the question of technical competence and access to capital should not be overemphasized. The solitary French-Canadian entrepreneur on the Lachine Canal, Augustin Cantin, did become Montreal's major shipbuilder. While closer studies of French-Canadian industrialists are clearly needed before their relatively marginal role in Lower Canada can be explained, it should be remembered that the comparison is not primarily between French Canadians and native English Canadians, but between French Canadians and those skilled craftsmen from the United States and England who founded many of the first factories on the Lachine Canal.

The role of geography is presented more vigorously as an explanation for the contrasting industrial development pattern between Upper and Lower Canada. McCallum's *Unequal Beginnings* applies the staples theory in arguing that the almost total lack of domestic markets in Lower Canada meant that the region's industry concentrated in Montreal where it had access to the Upper Canadian market. In Upper Canada itself, industries were much more dispersed throughout the wheat belt. This idea of "enclave industrialization" in the province of Quebec has also been advanced by John Isbister. By converting agricultural production into calories and estimating food needs of the population, Isbister demonstrates that throughout the last half of the nineteenth century, French-Canadian farmers barely produced enough food for their own families.[7] But while the agricultural statistics of both McCallum and Isbister may be convincing, neither of them takes into account the income earned by the rural French Canadians in the forest industry.[8] The agro-forest economy was

7 John Isbister, "Agriculture, Balanced Growth, and Social Change in Central Canada since 1850: An Interpretation", *Economic Development and Cultural Change*, V (1977), pp. 673-97.

8 See Ouellet, *Le Bas-Canada*, pp. 92-3, 201-2.

given a significant boost by the American demand for lumber after mid-century. This did not generate high per capita incomes, but by McCallum's own account many of the Montreal industries did sell substantial proportions of their products in Canada East. Furthermore, even though wheat was obviously a better generator of local development than was timber, McCallum's statement that there was very little economic activity outside Montreal between 1850 and 1870 is completely misleading. In the Eastern Townships, for example, sawmill production, land under cultivation, and population all came close to doubling in that twenty-year period.

McCallum also argues that the Lower Canadian railroads were built only to transport goods through the region, but Tulchinsky demonstrates that even though Montreal railroad entrepreneurs were primarily interested in establishing competitive links to all-winter ports, the projected routes were often determined by conditions in Lower Canada. Thus the St. Lawrence and Atlantic followed a very indirect path to Portland through St. Hyacinthe and Sherbrooke because of the influence of local business interests, as well as the agricultural and industrial potential of these two centres. In fact, McCallum greatly under-rates the contribution of Lower Canada's raw materials when he states that the tobacco industry, tanneries, and breweries "developed in spite of local agricultural conditions" (pp. 89-90). Hamelin and Roby have shown that the cigar industry depended primarily upon imported tobacco, but cigarettes and snuff were produced almost entirely from Quebec crops. Lower Canada was also an important source of skins for the Montreal tanneries, and the crucial hemlock bark used in the process came entirely from the Eastern Townships. Finally, the fact that Quebec's barley production quadrupled between 1851 and 1861 indicates strongly that it was an important supplier of the Montreal breweries.[9]

In an attempt to explain why Montreal, with its poor local hinterland, could in 1879 have had an industrial value-added greater than that of Ontario's five most populous cities combined, McCallum lists three factors: "the cheapness of labour, the greater availability of capital in the country's commercial centre, and, in some cases. . .the lower costs of overseas imports of raw materials" (p. 96). There were, in fact, other equally important incentives. Cheap labour was no doubt important to the clothing and textile industries, but if Lower Canada had not had further advantages, the French-Canadian labourers could have moved to Upper Canada as readily as they had to New England. Jacques Rouillard, in his study of Quebec's textile workers, stresses above all the importance of plentiful local supplies of water power.[10] This was certainly the case for Sherbrooke, where Canada's first cotton factory (not woollen mill, as

9 Hamelin and Roby, *op. cit.*, pp. 194, 269-70, 277.

10 J. Rouillard, *Les Travailleurs du Coton au Québec 1900-1915* (Montréal, 1974), p. 44. McCallum (p. 96) does mention the water power provided by the Lachine Canal and Rapids, but dismisses it as a key factor.

McCallum states on p. 92) was established in 1844, many miles from the French-speaking population centres. As for Montreal's advantage as a centre of commercial capital, it apparently did not amount to much, for Tulchinsky maintains that, prior to 1850 at least, local merchants did not invest in industry. Industrialists were a separate group, often experienced Americans who brought their capital resources with them. McCallum's third factor, cheaper imports, may have played a role in the textile industry, but it meant little to the iron and steel industry in which Montreal's value-added in 1870 equalled that of Toronto and Hamilton combined. Tulchinsky indicates that this industry originated in Montreal primarily to supply the city's steamboat enterprises, while grist mills, textile factories, and other industries, took advantage of the water power and access to shipping provided by the Lachine Canal. Industry, then, was closely tied to commercial development in Montreal, but as a source of water power and markets for raw materials rather than as a supplier of investment capital. Lower Canada's commercial and industrial growth was therefore not as divorced from local resources as McCallum suggests. Montreal may have been able to dominate Canada East so completely because all transportation networks focused on that city, in contrast to Canada West where widespread access to the Great Lakes and the American canal and rail systems mitigated against centralization. McCallum must do more than demonstrate that industrial growth occurred in the richest wheat producing areas in Canada West if he is to prove that this was the major factor in the contrasting urban development pattern of Quebec and Ontario.

In spite of these qualifications, McCallum is undoubtedly on secure ground when he argues that Lower Canada as a whole did not industrialize as quickly as Upper Canada primarily because of its weaker agricultural base. He points out that New England was able to overcome the same handicap by exploiting the American South, a region for which Lower Canada had no equivalent. Nevertheless, McCallum himself admits that protective tariffs also played an important role in New England's industrialization, and he even suggests that an earlier protective policy in British North America would have given Lower Canada's industries an important head start over those in Upper Canada. This is as far as any of the authors under review go in suggesting that a commercial policy which included protective tariffs might have stimulated a healthier economic development. Tulchinsky does demonstrate that the commitment of the Montreal capitalists to the old mercantile commercial system caused them to enter the railway age hesitantly and rather ineffectually,[11] and McCalla does find Isaac Buchanan's crusade for Canadian tariff protection to be a perplexing aberration, but both authors imply that the interests of the commercial and of the industrial entrepreneurs were basically the same. Yet V.C. Fowke has long

11 For a review of the central theme in *The River Barons*, see D.N. Sprague, "The Mythical Commercial Revolution", *Acadiensis*, VIII (Autumn 1978), pp. 114-21.

since argued that the merchants' free trade policy injured the farmers in Upper and Lower Canada, and T.W. Acheson has recently presented a similar thesis for the industrial and agricultural development of New Brunswick.[12] Montreal was in a better position than St. John because the grain trade provided more economic linkages than did the timber trade, but what of Quebec City, which was dependent upon the timber industry? Wooden shipbuilding went into decline even faster here than in the Maritimes because the winter freeze-up of the harbour discouraged Quebeckers from operating the ships they built. Yet, as Albert Faucher has shown, nothing was done to stimulate alternate paths to development. As late as 1868, when builders asked the government for incentives to start construction of composite ships, "the proposition met with objection from shipping interests because Quebec, they said, had no skilled labour for iron production, and especially because industrialization there would reduce the volume of imports and therefore deprive shipping by so much of return cargoes".[13] It is understandable that Tulchinsky would find that the grain trade and industrial development in Montreal were complementary because he examines those industries primarily related to transporting or refining the grain in the first place. As for the producers of clothing, shoes, textiles, it is well known that they strongly favoured protective tariffs.

If the role of politics cannot be ignored when considering the economic development of Upper and Lower Canada, neither can the impact of "mentalités" when attempting to explain the differences in economic well-being between the French and English Canadians. Large numbers of working children were necessary in an age of pre-mechanized agriculture, and to contribute to family subsistence in factory towns,[14] but the persistent cohesiveness of French-Canadian families ultimately would discourage them from buying farm machinery as well as hold them in exploitative, labour-intensive industries. This is not to deny the primary validity of the more strictly materialist interpretation presented by these economic historians; it is only to re-iterate that social groups could and did manipulate economic development, and to suggest that the cultural thesis presented by Ouellet needs to be analyzed and refined, not simply rejected as worthless.

J.I. LITTLE

12 V.C. Fowke, *Canadian Agricultural Policy: The Historical Pattern* (Toronto, 1946); T.W. Acheson, "The Great Merchant and Economic Development in St. John 1820-1850", *Acadiensis*, VIII (Spring 1979), pp. 3-27.

13 A. Faucher, "The Decline of Shipbuilding at Quebec in the Nineteenth Century", *Canadian Journal of Economics and Political Science*, XXII (1959), p. 205.

14 See Bettina Bradbury, "The Family Economy and Work in an Industrializing City: Montreal in the 1870s", Canadian Historical Association, *Historical Papers*, 1979, pp. 71-96; and Frances H. Early, "The French-Canadian Family Economy and Standard of Living in Lowell, Massachusetts, 1870" (unpublished paper presented to Canadian Historical Association Annual Meeting, 1980).