

farmers' organizations or socialism, what became of the anonymous Knights of small-town Ontario? The importance of culture and class to this will hopefully be pursued by students of the Knights in Quebec, where their history is quite different from that of the rest of Canada.

Kealey and Palmer's identification with the Holy and Noble Order is made perfectly clear in their introduction, and throughout their work they are more than ready to defend the Knights against those historians who would write the Knights out of the history of nineteenth-century Ontario, or out of Canadian labour history. *Dreaming of What Might Be*, I believe, ensures that this will not be the case.

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RIANNE MAHON — *The Politics of Industrial Restructuring: Canadian Textiles*. Toronto: University of Toronto Press, 1984. Pp xii, 204.

Joseph Schumpeter likened capitalism to a process of "creative destruction." In *The Theory of Economic Development*, the Austrian economist argued that capitalism's strength lay in its ability to remake itself through a constant cycle of obsolescence and re-creation. Today's factories and capital stock are superseded by tomorrow's technology and markets. The shrewd capitalist therefore takes today's profits and reshapes them to meet tomorrow's opportunities. Those who fail to obey this logic, perish. In practice, capitalism is not, of course, this straightforward. Any number of social, political and economic circumstances intervene to skew the process. Schumpeter recognized this. "The real tragedy," he wrote in 1942, "is not unemployment *per se*, but unemployment plus the impossibility of providing adequately for the unemployed without impairing the conditions of further economic development." It is because Canadian politicians have largely been unable to face the social and economic consequences of creative destruction that industries such as textiles have survived in Canada.

Throughout the 1970s, the architects of federal economic policy wrestled with the complexities of industrial policy-making. Bluntly stated, they were striving to systematize, in a technocratic way, the process of creative destruction. For some, the most dire threat to the Canadian economy was posed by the spectre of "de-industrialization." Capital once profitably invested in Canadian manufacturing was being seduced away by the lure of countries with low wages and compliant governments. Canadian manufacturing jobs would be transformed into Korean, Singaporean or Brazilian jobs. In the face of low-cost imports, economic growth in Canada would redirect itself into capital-intensive or services functions. Canada would, in effect, become "a nation of hamburger stands" and high-tech companies. Prominent among the victims of this transformation would be Canada's clothing and textile workers, employees in an industry whose time, as Schumpeter might put it, had passed.

By the late 1970s, it was clear that Canada's textile and clothing industries had not been totally supplanted by McDonald's and Mitel. The fast food and high-tech sectors had experienced phenomenal growth but the textile industry had persevered at home, however grimly, and even appeared to be experiencing some degree of reorganization. Dominion Textiles, for instance, had even expanded abroad, boasting by 1984 plants in the United States, Europe, South America and Asia. An industry which employed 190,000 people in 1970 — roughly 12 percent of total Canadian manufacturing employment — still employed 185,000 Canadians in 1978. Schumpeter, it would seem, was not much heeded in Ottawa and in certain boardrooms in the 1970s. In *The Politics of Industrial Restructuring*, Rianne Mahon addresses the question of why capital did not totally abandon the ailing textile industry in pursuit of more lucrative prospects, both within Canada and beyond its shores.

The fortunes of the textile industry in the 1970s, Mahon asserts, are indicative of Canada's recent economic development. It was "the first major sector to experience the effect of the contradiction between the two major components of the Canadian state's post-war economic strategy: staples export promotion and import substitution" (p. 25). The textile industry has survived because its workers and capitalists were able to present their interests in terms sufficiently threatening to the dominant "staples fraction" that de-industrialization could be arrested and, at times, defied through government intervention.

On a practical level, *The Politics of Industrial Restructuring* furnishes a useful record of textile policy in the 1970s. It chronicles the deteriorating competitiveness of Canadian textiles in the 1960s and the industry's response, through such collective bodies as the Canadian Textile Institute, to this problem. Similarly, Mahon demonstrates how the Institute was able to politicize the plight of the industry by aligning it with other "key issues" such as the threat of labour militancy and Quebec separatism, issues to which Ottawa reacted with greater alacrity. The emergence in 1971 of a "new national policy for textiles" (p. 77), with its sanctioning of technical modernization and industry rationalization, gave evidence of the state's willingness, when pushed, to tackle threatened de-industrialization. Mahon describes these developments against a backdrop of the federal government's growing penchant for economic tinkering. The creation of new departments, agencies and programmes signified Ottawa's passion for technocratic management. With such economic management came the necessity of forging a workable consensus on industrial policy. For the textile industry this culminated in the creation in 1981 of the Canadian Industrial Renewal Board, an agency empowered to encourage, through government grants, the restructuring of smaller textile and clothing firms.

Although the volume does offer a wealth of useful information on the Canadian textile industry, its utility is undermined by an attempt to evaluate all developments and issues within a Marxist framework of "hegemonic class domination." *The Politics of Industrial Restructuring* suffers from excessive and unconvincing dogmatism. This is especially evident in the first chapter, in which strand after strand of Marxist theory is used to create a seamless interpretation of Canada's economic and hence political development. In Canada, the "staples fraction" is paramount and the state does its bidding. "Yet," Mahon admits, "the core material interests of the hegemonic fraction within a particular capitalist economy are likely to be more complex; they also are likely to involve a particular pattern of growth in which certain sectors are assigned the leading place" (p. 11). Such dominance is sustainable only as long as the state makes certain concessions to the "subordinate classes," notably the workers and those engaged in "dependent industrialization."

Mahon uses this dynamic to suggest that Canada's post-war economic strategy was in essence based on the ongoing contradiction between the dominant economic pattern of staples-exporting and the subordinate pattern of import-substituting manufacturing. De-industrialization of the textiles sector threatened this perilous relationship by creating disaffection in the subordinate classes. By the late 1960s, the hegemony of the staples fraction was being jeopardized. The state's willingness to avert such a crisis — as exemplified by the textile policies of 1971 and 1981 — both preserved the hegemony of the staples fraction and shored up the textile industry.

It is all too procrustean to be believed. Mahon's exposition of the staples fraction's hegemony frequently takes liberties with or grossly oversimplifies historiography. How many historians would accept the following statement: "The main objective of the National Policy was to facilitate the production and export of raw materials to the leading industrial economies, especially the British" (p. 14)? There is little acknowledgement of any *autonomous* desire to build a national manufacturing base. The book's ineluctable devotion to "hegemonic class domination" precludes any acknowledgement of the force of character and circumstance. There is remarkably little attention devoted to personality, whether it be that of textile capitalists, labour leaders or federal politicians. Despite numerous interviews cited in the bibliography, the book is reluctant to probe beneath the veneer of official pronouncements and examine the cut and thrust of lobbying and constituency politics. Everything is hammered into the mould of "hegemonic class domination" and staples superiority. If Canada has suffered from dependent industrialization, where, one wonders, have companies like Northern Telecom, Bombardier and Dofasco come from? Why is Schefferville a ghost town?

The cover of this book proclaims it to be "an important book." In that it provides a chronicle of the fortunes of the textile industry in a troubled decade, it is a useful book. This said, it must be noted that *The Politics of Industrial Restructuring* is not easy or in any way stimulating reading. Sentences frequently require rereading before the meaning becomes clear. There is a tendency to employ terms without adequate definition. Jargon occasionally permeates the narrative.

One is left with the sense that with a less fervent devotion to ideology and a greater appreciation of the innate pragmatism and complexity of Canadian public policy-making, this book would convey a more convincing message. In an earlier volume in this "State and Economic Life" series, Tom Traves concluded that the development of the Canadian state and changes in the political economy of the 1920s "did not follow any predetermined pattern" (p. 167). "At each stage," Traves notes in *The State and Enterprise*, "business and government leaders, as well as a host of lesser figures, acted upon their perceptions of the complex balance between self interest and social stability in the face of numerous changes in markets, private and public institutions, and political alignments" (p. 167). Canadian society and its economy have increased immeasurably since the 1920s in their complexity. Attempting to interpret them solely on the basis of "hegemonic class domination" denies this progression and Canada's one true political talent — adept political accommodation within a pluralistic state.

Writing of Ottawa's unsuccessful experiments with economic planning and industrial strategy-making in the 1970s, Richard French suggests that technocratic planning fails because it has tended to downplay "the regular inconsistency, frequent perversity, and occasional chaos of policy-making in a democracy" (*How Ottawa Decides*, Ottawa: 1980, p. 155). Unlike the decisive ongoing creative destruction of Schumpeter's economy, Canada survives by means of "rolling compromises." In its devotion to "hegemonic class domination," *The Politics of Industrial Restructuring* refuses to acknowledge this complexity.

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BRYAN PALMER — *Working Class Experience. The Rise and Reconstitution of Canadian Labour, 1800-1980*. Toronto: Butterworth, 1983. Pp. 347.

This is an ambitious book in which the author attempts to trace the historical peaks and troughs of Canadian working class struggles from their incipient emergence in the early 1800s to their mass culturalization between the 1920s and 1980s; in short, Palmer attempts to suggest "... how the Canadian working class has been made and remade over the course of two centuries" (p. 5). Adopting a Thompsonian perspective, Palmer marks the high point of working class formation in the struggles of the Knights of Labour in the 1880s as they sought, he claims, to extend working class organization beyond the skilled male craft-worker to include the less skilled, women, and ethnic minorities; this high point extends into western labour radicalism from 1899 to 1919. Other decades were never to match such a level and scope of organizing: "no workers' movement since then [the 1880s] has so effectively bridged the gaps separating and fragmenting different labour factions ..." (p. 297). During the early 1800s, the worker was oppressed under the burden of a paternalistic ideology in social, economic and political fields; after the peak of the post-World War I struggles, the working class was torn asunder by ideological competition, and by labour market, ethnic, regional, and gender fragmentation; and, since the 1920s, commodity consciousness and mass culture have atomized working class culture into individualized competitions among workers for the titillating crumbs of monopoly capitalism.