

## The Ideology Of The Parti Quebecois:

# The Heritage Of Abbé Groulx

In the early spring of 1931 a small, balding French-Canadian priest made a pilgrimage to Rome. A trip by a Catholic prelate to the Vatican might hardly appear worthy of historical record, were it not for the extraordinary nature of the Canadian's political associations.

The Canon Lionel Groulx had come to Italy to behold the "new nation" that had been created by Benito Mussolini's Fascist regime. Groulx was to consult with the architects of Italian corporatism in hopes of replicating their work in his own Quebec. To this purpose the Quebec prelate, although he held no official status as emissary of either his country or his church, met at length with the British ambassador to the Vatican, Mr. G. Olgive Forbes, a man whose effusive admiration of Mussolini's "new race of Italians" later earned him the post of British ambassador to Spain during the rise of Franco's Falangists from 1935 to 1937. Groulx, whose ecclesiastical post hardly merited such attention, was then granted a rare private audience with the Fascist sympathizer Pope Pius XI and top Vatican officials. The abbé also discussed the particular problems of French nationalist organizing with the French ambassador to the Vatican, the Vicomte Fontenay, a powerful figure in Rome at the time, who offered advice and assistance for Groulx's nationalist crusade in Quebec.

This series of meetings over 45 years ago marked the official integration of French-Canadian "nationalism" into the current of racialist "national movements" that included the fascist regimes of Italy, Germany, Portugal, Spain and, eventually, Vichy France. On Nov. 15, 1976 this tradition was resurrected in its every detail with the creation of a Parti Quebecois government in Quebec.

From the zero-growth ravings of Parti Quebecois Energy Minister Joron, to the agricultural and "re-forestation" job-creation schemes and austerity plans of Finance Minister Jacques Parizeau, and the patently insane language policy of psychiatrist and Culture Minister Camille Laurin, the Parti Quebecois has proven itself the heir to the fascist traditions of the Abbé Groulx.

### The National Mystique: "The Past Is Our Master"

For over 300 years the population of Quebec has had the dubious distinction of embodying the spirit of the Middle Ages long after the decline and disappearance of feudalism from the rest of the western world. Under the careful control of Jesuit orders and the skillful ideological manipulations of their British "conquerors," Quebec farmers and peasants remained locked in a hier-

archical world of Church, parish, and fiefdom even into the 20th century. Quebec was thus cut off, since the 18th century, from developing European and American traditions of democracy and republicanism. Not surprisingly, late 19th century romantic writers found French Canada an ideal subject, and a flourishing school of novelists glorified the "Arcadian" lifestyles and rural backwardness of Quebec.

By the turn of the century this "quaint" literary romanticism had taken on distinctly political overtones, feeding the paranoia of the rural population with extensive moralistic warnings against the evils of industry and progress. French emigré Louis Hémon's best-seller *Maria Chapdelaine* (written in 1913) epitomized the terror of development:

Three hundred years ago we came and we have remained... Strangers have surrounded us whom it pleases us to call foreigners; they have taken all the power, they have taken almost all the wealth, but in Quebec nothing has changed. Nothing will change because we are a plébe... That is why it is necessary to remain in the province where our fathers dwelt, and to live as they lived, so as to obey the unwritten commandment which shaped itself in their hearts, which passed into ours, and which we must transmit in turn to our innumerable children. *In the land of Quebec nothing must die and nothing must change!*

Jules-Paul Tardivel, Quebec's first radical separatist and one of Groulx's first nationalist mentors, wrote in a similar vein in his review *La Vérité* in 1902:

It is not necessary that we possess industry and money. We will (then) no longer be French Canadians, but Americans almost like the others. Our mission is to possess the earth and spread ideas. To cling to the soil to raise families, to maintain the hearths of intellectual and spiritual life, that must be our role in America.

Thus, Groulx's predecessors were a rather quaint group of semi-colonial romantics who sought virtue in the miserably underdeveloped agrarian Catholicism of turn-of-the-century Quebec. Groulx's own activities were less picturesque. His work as historian, teacher, and political organizer on behalf of feudal and Catholic tradition was not merely apology, but was undertaken at precisely the period of rapidly developing industrialization of the province.

Groulx's nationalism, shaped by the likes of Tardivel,

was refined during studies in Rome and at the University of Freiburg in 1906 and 1907. Freiburg in particular was a breeding-ground of extreme right-wing, racial "theorists" including Gonzague de Reynold, a disciple of the Comte de Gobineau, Hitler's inspiration. Groulx imagined that the population of Quebec, descendants of 17th century migrants from northern France, constituted a distinct "race" in both a physiological and "spiritual" sense. What distinguished this "race" in Groulx's doctrine was its "spiritual mission." For Groulx, the French Canadians were destined by God to follow the "missionary path" of the first Canadian Jesuit settlers: establish and preserve their language, their culture, their rural roots ("notre vocation paysanne") and, importantly, their autonomy.

Thus armed with a vision of a permanently backward Quebec, Groulx set forth to battle industrial progress, development, and the integration of Quebec into 20th century America with the watchwords "Notre Maître, le Passé" (The past is our master). It is this same conception of Quebec as a medieval land of peasants and missionaries that absolutely permeates the Parti Québécois philosophy and all of the party's programmatic initiatives.

### Myths, Doctrines, And Policies

Beginning with the decade immediately preceding World War I and particularly during and after the war, Quebec experienced one of the most phenomenal rates of industrial development of any region in the Western Hemisphere. The "Open Door" policy on foreign investment maintained by the Liberals (who governed the province from 1896 to 1936), coupled with near nonexistent labor laws, attracted British and U.S. investment in forest industries, hydroelectric power, asbestos and other mining, and shipping. The demand for skilled labor began to loosen the stranglehold of the Jesuit clergy and feudal landholding system, as rural farmers and peasants moved to urban centers for jobs, skills, and education.

The nationalists reacted violently, arguing that this industrial progress was undermining and destroying the "French-Canadian soul," blemishing the racial purity of the population, wrecking family life, and depriving Quebec of its holy mission. Under the direction of Joseph Papin Archimbault the Ligue des Droits des Français began publishing, in 1917, a small magazine, *Action Française*, to publicize their cause. Their work was greatly expanded when, in 1920, they reconstituted themselves as the Montreal Action Française under Groulx's direction. Not coincidentally, Groulx was himself in France at the time, completing two years of studies at the Sorbonne and the Institut de l'Action Française with Charles Maurras and other leaders of the protofascist French right.

Upon his return to Quebec, Groulx directed the nationalists' first attempt at specific policy formulations. As an outcome of this "Inquiry Into the Economic Problem and Our Political Future," the Action Française published its comprehensive economic program based on zero growth, relocation of urban population to remote areas through "colonization" schemes, and reestablishment of the

primacy of family and parish in social life.

Paralleling the rather academic debates over economic policy in the *Action Française* were Groulx's own "historical" and propagandizing efforts. "There must be... a mystique of our Nation," he wrote (Groulx, *Dix Ans d'Action Française*, 1926). There can be no French State, no French people, without a French mystique... and we must have a mystique that is organic" (L. Groulx, *Orientations*, Montreal, Editions du Zodiaque, 1935).

And so Groulx created myth and "mystique," including the very concept of the existence of a French-Canadian race which all his historical research and writing were designed to prove. But Groulx went much further than simply inventing a history to justify his myth. To create the proper "mystique" Groulx invented "saints" of Quebec culture, including the sometime bandit of the 17th century, Dollard des Ormeaux. He sponsored much publicized "pilgrimages" to patriotic sites, pushed for adoption of a fleur-de-lys national flag, and participated in such campaigns as marketing post cards with patriotic slogans ("Colonisons, rapatrions, restons chez nous"; "Soyons vraiment chez nous, chez nous") and calendars with selected "national holidays" (St. Jean Baptiste and Dollard for example). With other members of the Action Française, Groulx sponsored contests for patriotic songs and slogans and even for the best play with the theme of Anglomania.

### Fascism In Quebec, 1920-1977

The Action Français collapsed in fits of embarrassed paranoia following the papal condemnation of their French cothinkers in 1926. (The Montreal group suffered two years of internal turmoil and erratic financing awaiting a similar condemnation that never came, and finally folded when Groulx resigned in 1928). A somewhat demoralized Lionel Groulx departed for Europe the following year to receive new strength and direction from the rising fascist movements there. In addition to the visits to Rome, the Abbé further cultivated his ties to right-wing circles in France. These were later to become the backbone of the Vichy regime.

Returning to Canada in 1932, Groulx set about reconstructing the nationalist movement, a task facilitated by the already extensive networks of followers established during the 10 years of *Action Française*. These included almost all of the mass-based Catholic organizations: the Catholic trade unions (CTCC); farmers cooperatives; peasants unions; youth groups (ACJC); the very powerful cooperative credit unions, the Caisse Populaires Desjardins; and the semi-clandestine Ordre de Jacques Cartier, a sort of French Catholic Ku Klux Klan set up in Ottawa in 1926 to counter the Protestant right-wing "Orangemen." The nationalists also enjoyed control over a significant section of the press, in particular the powerful *Le Devoir*, as well as having firmly established a foothold at the University of Montreal. In the mid-1910s Groulx himself had participated in a reorganization of that school, with particular attention to the Ecole des Hautes Etudes Commerciales (EHEC), which counts Jacques Parizeau among its alumni and is

currently headed by Pierre Laurin brother of Quebec's "Culture" Minister.

Groulx recruited from these layers, transforming the older generation of the defunct Action Française into the "Action Nationale" and creating a youth movement, Jeune Canada, for promising newcomers, including Jean Drapeau, future mayor of Montreal (who would deviously betray his corporatist sponsors), and Estras Minville, director of the HEC. Jeune Canada was headed by one of Groulx's most dedicated students, Andre Laurendeau. The Abbé brought to his new organizing efforts the latest innovations from Europe: corporatism, anti-semitism, and love of authoritarian dictatorship.

### "Instinct Of Civilization"

In 1931 Pope Pius XI, on behalf of Mussolini, issued his encyclical "Quadragesimo Anno" which rejected both economic liberalism and socialism as solutions to the economic crisis. The document was joyously received by the Quebec Jesuits who had been combatting the growing communist organizing in the province with threats of excommunication and hoped to add to these a concrete alternative program. The provincial Jesuit order thus commissioned the Action Nationale-associated think tank, the Ecole Sociale Populaire, to translate the Pope's encyclical into Quebec terms. Hoping to directly counter the Communist Party's "Program of Social Reconstruction", the Ecole Sociale drafted a "Program of Social Restoration" which was completed in 1933. It was a model of Catholic corporatism, quoting extensively from the papal document and incorporating Groulx's colonization and anti-imperialist schemes. In intent as well as detail, the Program of Social Restoration was the basis not only for Groulx's later political forays, including the Bloc Populaire, but also for the Parti Quebecois since its inception.

The Program outlined the principles of a vast restructuring of Quebec society, economy, and political life. The upper chamber of the legislature was to be abolished and replaced by a "National Economic Council", a corporatist board modeled directly on Mussolini's government. On this board would sit the representatives of the "organic" corporations of Quebec: the heads of the Caisse Populaires, of the Catholic trade unions, the farmers cooperatives, the universities, professional groups, etc.

There were to be 13 areas of specific reforms for "restoring" capitalism, much as the recent budget statements of M. Parizeau have been aimed at "restoring" the creditworthiness of the province in the eyes of certain New York banks. These reforms included establishment of corporatism and cooperatives in all sectors of the economy, colonization of "excess" urban population to remote rural areas, restriction of "industrialized cultivation" ("save the farmlands"), and various "anti-trust" schemes to ensure local control (or French control) over industry and resources. The main target of these efforts were the electricity trusts, but coal, gasoline, bread and even milk were also suspect of being controlled by non-French "cartels", particularly

Jewish ones. In the form adopted by the Action Liberale Nationale the following year, the Program included specific provisions for policing these reforms in order to protect "our economic independence."

Electoral financing was also a major target, as it is today with the PQ proposing, under the guise of referendum, the elimination of small parties and restructuring of the financing of the Opposition by exerting controls on spending. The program proposed limiting electoral financing, publishing of electoral contributions, and requiring identity cards in large towns.

Labor reforms, themselves quite secondary to agrarian reforms and extended colonization included increases in worker participation. Autogestion in this case was to be an integral part of the "cleaning up the trusts" ensuring French Canadian control over factories. This would also be accomplished by ensuring that public works contracts were all carried out locally, and that newspapers publish sworn statements of ownership.

The program was mainly the work of HEC director Minville, assisted by Action Nationale leaders such as Wilfred Guerin, secretary of the Caisse Populaire, Albert Rioux, president of the Catholic Farmers Union (UCC), Alfred Charpentier, head of the Catholic labor union (CTCC), and Dr. Philippe Hamel, who led the attacks on the electricity trusts.

Groulx was overjoyed:

We think it would be better, for the health (well-being) of the State, that it find before it well organized corporations, rather than this dust of individuals that are unleashed in the circus we know as elections. Everyone knows, moreover, that corporatism holds in reserve many other resources for social and political reform. That corporations, for example natural associations, fruits of social necessity and of the instinct of civilization, achieve the composition of a structure of the nation and the great body of the State and thus, the link is reestablished, the true link between the living country and the legal country.

(L. Groulx, "Pour nous grandir,"  
*Le Devoir*, June 26, 1937)

### "Language: Guardian Of The Faith"

Ensuring the success of the "divine" mission of the French Canadian race meant, above all, preserving French Canadian Catholicism which, in turn, was most directly accomplished by ensuring that French Canadians remained, above all, French.

It is worth noting that this was precisely the policy devised by the British conquerors who, fearful of the revolutionary developments in the southern colonies, sought to guarantee the isolation of the newly acquired French territories by perpetuating French Catholicism under Jesuit control. The success of this scheme is testified to by the unsuccessful attempts by George Washington and Benjamin Franklin to recruit French Canadian participation in the American Revolution. The Quebec Act of 1761 establishing the primacy of French

language, law, and religion in Quebec was, in fact, a major grievance of the American colonies which protested the continued enslavement of these new British citizens to the Royalist and Papist traditions of France.

Thus the watchwords: "Langue, gardienne de la Foi": Language is the guardian of the faith. Groulx's best known attempt at fiction, *L'Appel de la Race* (The Call to the Race), published in 1922, was devoted almost entirely to proving the disastrous consequences that befall those who allow themselves to be corrupted by English Protestantism. In fact, Groulx's extensive efforts on behalf of French Catholic education, in Manitoba and Ontario as well as Quebec, were deeply rooted in this concept. The parallels to the Parti Quebecois's Bill 101 limiting access to English education in Quebec need no elaboration.

And what of the French Canadian non-Catholics? Groulx had undoubtedly learned in Europe, probably from Rothschild-related mentors, the necessity of dealing with "the Jewish problem," and, not wanting to be so un-Christian as Adolph Hitler, Groulx devised a more simple solution:

Antisemitism, not only is not a Christian solution, it is a negative and useless solution. To resolve the Jewish problem it would be enough for French Canadians to recover their common sense. There is no need of an extraordinary legislative apparatus, no need of violence of any sort. We would not even give our people the order "Don't buy from the Jews!" We would simply say to our French-Canadian consumers, "Do like all ethnic groups, shop among yourselves!" ... And, if by some miracle our orders are followed and understood (then) in six months, a year, the Jewish problem would be resolved.... Of the Jews, there would only remain those who could survive among themselves.

J. Brassier (pseud. de L. Groulx),  
"Pour qu'on vive,"  
*Action Nationale* III, Jan. 1934

Thus the origins of the Parti Quebecois's campaign to "Buy Quebec."

### A Chief!

Groulx had also learned in Europe that the success of his fascist schemes could only be guaranteed by the force of dictatorial leadership. This was perhaps the Abbé's one occasion for despair.

Who here will be the motor, the supreme distributor of élan and will? Who will be the national chief? The Valera, the Mussolini, whose politics might be disputed but who, in ten years, have psychologically recreated a new Ireland, a new Italy, like a Dollfuss, a Salazar are now recreating a new Austria, a new Portugal? Alas, we must admit to ourselves; this national leader, we do not have him...

A man! A Chief! Will he come to us? (...) The crisis, alas, has not yet brought to us, as to other

peoples, the great fortune of making rise from the crowd a man, a real man, who could pull us from this abyss where we find ourselves.... Happy are the peoples who have found their dictators.

J. Brassier (pseud. de L. Groulx) "Pourqu'on vivre," *Action Nationale* III (Jan. 1934)

Groulx's dream of "a chief" was not to be realized René Levesque was adopted as the protégé of the radical nationalists and carefully groomed for his "mission" in the late 1950s. That Groulx's efforts to realize a semi-medieval, corporatist state in Quebec would only near success with the current Parti Quebecois regime was not for lack of earlier attempts by the nationalists to seize the provincial government, however.

René Levesque's unlikely career from small-town radio announcer, to Liberal Party cabinet member, to separatist radical and finally, Quebec Premier, in fact closely follows the script of the political organizing efforts of Groulx and the *Action Nationale* separatists in the 1930s. Not only does Levesque embody the odious traditions of Groulx's social and economic myths, but in almost every step of his political career; factionalizing within the provincial Liberals, allying briefly with the conservative Gilles Grogire, even his focus on nationalizing the electrical industries, Levesque is the rightful heir of Groulx's nationalists.

### Setting The Record Straight: Duplessis "The Traitor"

Some modern Quebec observers might wonder why Groulx did not see in Maurice Duplessis, redoubtable Union Nationale leader who governed the province for some 20 years, the "chief" of his dreams. In fact, Groulx harbored a bitter hatred of Duplessis (who became known as Le Chef) because this supposed oppressive dictator (as Duplessis has so often been denounced by all shades of "left" and "liberal" tendencies in the province) absolutely refused to accept Groulx's fascist plans for Quebec.

For several months between the provincial elections of 1935 and those of 1936 Groulx's nationalist forces, under the banner of "Action Liberale Nationale", and Duplessis' Conservative Party were allied to overthrow the 40-year old liberal reign in the province. The *Action Liberale Nationale*, with Paul Gouin, son of a former Liberal Premier, as figurehead leader, had already run one election campaign, after years of factionalizing within the Liberal Party itself. The party was essentially run by *Action Nationale* figures, including Groulx, and had fully adopted the notorious Program of Social Restoration as its platform.

In allying with the Conservative Party, which under Duplessis' leadership had strong federal connections and was decidedly conservative in its programmatic outlook, the ALN hoped to ferret out nationalist sympathizers and dominate the alliance. (In fact, before Duplessis was elected party leader in 1933, the Conservatives had been dominated by a "radical" element who also embraced the Program of Social Restoration and had strong separatist tendencies). The ANL sought guarantees from Duplessis that their new union party

would, if elected, enact "social restoration"; and, while the Premiership would be Duplessis's, ALN members would have a majority of the Cabinet.

In the weeks preceding the 1936 election, however, Duplessis shrewdly "reorganized" the Union Party, creating the "Union Nationale" as an opposition party open to all who would oust the corrupt Liberal regime. Having successfully outnumbered the ALN, and even driven ANL leaders including Gouin, from the party Duplessis disregarded all commitments to enact ALN corporatist programs or install ALN figures in his cabinet. With the notable exceptions of extending agricultural credit and doubling expenditures on colonization projects, Duplessis completely and pointedly ignored the ANL program. Groulx fumed over this "treason" and branded Duplessis a "traitor" to his race. Thus, despite the 20 years of heavy-handed reactionary government Quebec suffered under the Union Nationale "Chief," it would be no exaggeration to say that Duplessis would find it ironic, if not embarrassing, that the Parti Quebecois has recently chosen to claim him as an inspiration and restore his good name by unveiling a statue of the former premier that has been in storage since his death.

### Andre Laurendeau

While Groulx's first political sortie was ending in disaster in Quebec, Andre Laurendeau, Groulx's promising young student and head of Jeune Canada, was receiving further training in France. The trip would help prepare him for his future role as Groulx's most energetic and successful disciple and a major role in promoting René Levesque as a nationalist leader.

Following in his teacher's footsteps, Laurendeau undertook studies at the Sorbonne and the Institut Catholique in Paris, surrounding himself with assorted right and left-wing student groups and becoming particularly close to French Protestant sociologist and historian André Siegfried.

Siegfried, in addition to organizing a Paris-based French profiling operation for British intelligence, had earlier published what today appears to be a handbook for French-Canadian nationalists, entitled *The Race Question in Canada*. Lecturing his students, Laurendeau among them, at the College de France in 1937, Siegfried drew the lessons of the conscription crisis of the First World War and of the "race question":

Local politicians did not hesitate to say that French Canadians should at all costs avoid getting themselves killed in Europe so they could remain and flourish in Canada where it was their mission to preserve the future of the race. Never doubt for a minute the power of this argument. It corresponded to the instinctive conviction that the first duty of French Canadians is towards Canada — towards French Canada.... It was an instinct for local survival, a narrow but powerful instinct, which determined this attitude.

(Andre Laurendeau recalls Siegfried's words in his autobiographical work *Conscription Crisis 1942*.)

Siegfried's lessons were not lost on Laurendeau, who put them to use most immediately in the Bloc Populaire which he helped form and, much later in his work of the late 1960s as co-chairman of the Royal Commission on Biculturalism and Bilingualism. In addition to these openly political roles, Laurendeau was to preach what he practiced when, returning to Quebec in 1937, he assumed editorial direction of *Action Nationale* (a monthly publication of the Action Nationale group). The quality of this publication is perhaps best summed up by an editorial from the August-September 1940 issue, "On the Military Defeat in France," which gives effusive praise to Pétain's regime and the measures Vichy undertook to re-create the French people.

After the defeat of the Bloc Populaire, Laurendeau was to move on to play an important role at Radio Canada and to become editor of *Le Devoir*. It was in this role that he was to play a major role in convincing Radio Canada news commentator René Levesque of the advantages of becoming a militant separatist.

### The Bloc Populaire

World War II, and particularly the question of conscription, was the issue to revive the nationalist movement so sorely "betrayed" by Duplessis four years earlier. After a brief and unsuccessful effort to re-create the ALN in the provincial elections of 1936, the nationalists gathered forces for a more organized and energetic campaign to oppose conscription and the War. Canadian Premier MacKenzie King had called a plebiscite in 1942 as a gimmick to allow for universal conscription. The nationalists' "League for the Defense of Canada" headed by André Laurendeau and including most of the Action Nationale, the Catholic trade unions, farmers cooperatives, and the Société St. Jean Baptiste, campaigned heavily for a negative vote in the plebiscite. While the vote went heavily for King in English Canada, the nationalists claimed a significant "victory" in Quebec, where over 72 percent of the vote was against conscription.

Imposition of the draft was thus clearly a provocation for Quebec, and the nationalists rallied around the slogan "Vote de Race" (vote by race) in denouncing the plebiscite and English Canada generally. Groulx took advantage of the renewed nationalist fervor to draft his plan for a new political party, the Bloc Populaire, which would attract support and votes by representing the anti-conscriptionists while otherwise incorporating exactly the same program as its predecessor, that is, the thoroughly fascist Program of Social Restoration. ("The program that was so odiously betrayed in 1936," Groulx would write.) In fact, the Bloc was initially to be called the Renovation Party.

That the Bloc Populaire attracted "radicals" of all sorts, including Pierre Trudeau, Quebec labor leader Michel Chartrand, and Montreal Mayor Jean Drapeau, is well-known fact. But despite its perverse appeal, the Bloc failed. Even before the first electoral campaign the Bloc's leader, Maxime Raymond, a popular Parliamentarian, was immobilized by a stroke, and the secondary leadership, including Andre Laurendeau, was

too divided to successfully direct the party. Also the Bloc had so aroused the anti-fascist sentiment in the rest of Canada, as well as Quebec, that, particularly in war time, electoral success would have been out of the question. In 1944 the Bloc was able to muster only four seats in the provincial assembly, overwhelmed by Duplessis' Union Nationale and the federally-linked Liberals.

Groulx retired from public life. He emerged briefly in 1962 to lend his support in *Le Devoir* (then edited by Andre Laurendeau) to the proposal to nationalize the remaining 11 privately run hydroelectric companies in the province. The controversial proposal had been advanced by the young Liberal Minister of Natural Resources, René Lévesque.

— Jane Berg

## PQ Collaborates With Rohatyn On Energy

During the last two weeks, PQ Energy Minister Guy Joron has called for a sweeping 30% reduction in current levels of energy consumption and complete scrapping of provincial plans for nuclear energy development, and announced a forthcoming "restructuring" of the provincial crown corporation Hydro Quebec for the purposes of achieving these ends. Hydro, through its massive James Bay project in northern Quebec, is otherwise slated to become the largest producer of electrical energy in the world by the 1980s. Joron, who recently issued an unconditional endorsement of the Club of Rome "Limits to Growth" policy, admitted last week to a reporter that he is cooperating closely with Lazard Freres' Felix Rohatyn and

Rohatyn's comparable drive for northeastern U.S. regional "energy independence," the ENCONO program covered in recent issues of this journal.

In the same two weeks, a program for full "balkanization" of Canadian raw materials policy has been asserted by the PQ Mines Minister Yves Berube. Berube advised a conference of provincial mines ministers to form a common front to force a "constitutional test" before the courts to overturn federal jurisdiction over mining and export policy. Each major export mineral would then be assigned to a specified province which would in turn dictate "national" policy which would be determined to suit that province's special "needs".

## Canada Shifts To Pro-Industrial Stance

In 12 days following Canadian Prime Minister Pierre-Elliott Trudeau's federal cabinet reshuffle, Canada's newly appointed Finance Minister Jean Chretien has already emerged as the leading advocate of an aggressively pro-industrial policy thrust. Since his promotion to Canada's leading ministry from his previous position as Minister of Trade and Commerce, Chretien has voiced commitment to active pursuit of a solution to Canada's burgeoning economic and financial crisis based on industrial expansion and technological development mediated

trading agreements with the EEC countries as well as through expanded positive ties to the U.S. economy.

The Trudeau cabinet shift, unveiled Sept. 16, followed the abrupt resignation of Finance Minister Donald Macdonald two weeks before. Macdonald was identified with the current Canadian wage-price control program, and reportedly differed from Trudeau in favoring an indefinite continuation of the control policy rather than a lifting of the controls linked to more aggressive development of industry. In addition to the promotion of Chretien to the post of Finance Minister, Trudeau appointed former Progressive Conservative Jack Horner to the Ministry of Industry and Trade, and created a new ministerial post to be filled by Marc Lalonde: Intergovernmental Affairs and National Unity.

Chretien's strong appeal for strengthened economic ties with the EEC was voiced in an extended interview in

the West German industrial daily *Handelsblatt* last week. Emphasizing that no aspect of Canada's Foreign Investment Review Act is intended to discourage pursuit of investment opportunities in the Canadian economy, Chretien stressed that the FIRA aims rather to insure that as much foreign investment as possible takes the form of "direct capital investment — which makes possible in turn a Canadian balance of payments status favorable to Canadian direct investment abroad and also works through the development of new technologies to bolster Canadian industrial and competitive strength." In the same interview, Chretien confirmed Canada's commitment to the development of the energy and raw materials resources necessary as a basis for confidence in investment in industrial expansion.

In an interview carried this week by the Montreal daily, *La Presse*, Chretien denounced the environmentalist Berger Commission report which has served as the basis for deferring development of Canada's conventional natural gas and oil reserves. He stated, "If the reported 20 trillion cubic feet of natural gas reserves in the Mackenzie Delta exist, there will no longer be any question of waiting ten years to construct a pipeline." This statement flies directly in the face of both the longstanding North American "Project Independence" policy thrust heretofore promoted largely through Rockefeller-allied interests, as well as the even more drastic "no-energy" policies currently identified