The geographic and political area that is now known as Prairie Canada had a complex experience of capitalist development and class formation between the initial contact of First Nations with European fur traders in the seventeenth century and the decline of agriculture’s leading role in the regional economy in the second third of the twentieth century. Various forms of labour have been produced as part of merchant and industrial capitalist organization of production and exchange in the fur trade, agriculture, resource extraction, manufacturing, and other sectors of the economy. This capitalist development took place in an environment in which pre-existing non-capitalist societies occupied the land and resources that Europeans sought to exploit.

This chapter makes the case for a long transition to capitalism from the mid-seventeenth century to the early twentieth century. It explores the forms of labour and producing classes that were generated during this period. The first section establishes the theoretical context, briefly defining some key concepts in historical materialism. The second section sketches the broader historical context, explaining the main features of the transition from feudalism.
to capitalism in Europe. Attention then turns to Prairie Canada. The three sections that follow summarize relevant developments in the region between 1670 and 1811, 1812 and 1885, and 1886 and 1940.

Theoretical context

The analysis that follows is historical materialist, which is a critical realist epistemological position. For critical realists, the material world exists independent of human thought and activity, but human thought and activity arises from the material world.1 Historical materialists, in turn, argue that the relationship among labour, knowledge, and nature creates the material conditions for human existence. This relationship is a feature of all societies. For most of recorded human history, according to historical materialists, this relationship has been organized in societies in which a minority of people is supported by the labour of the majority in exploitative relationships. A variety of such societies have existed over time and a number of categories have been developed by historical materialists to analyze their creation, growth, and transformation. These include modes and relations of production, productive forces, class, and base and superstructure.2

Hence, in order to understand the nature of class formation and social development in Prairie Canada during this period, it is first necessary to identify the modes and relations of production that have existed here or have influenced development over time. "Mode of production" means the combination of productive forces (labour transforming nature) and social relations characteristic of an epoch. "Relations of production," meanwhile, refers to the specific social relations characteristic of a mode of production. An exploitative mode of production is one in which some members of society are forced, through various coercive and ideological methods, to generate a surplus through their labour, beyond what is necessary for their subsistence, to sustain other members of society. This process results in class formation and class-based relations of production, whereby a class of producers sustains a class of non-producers. Class, therefore, is a relational concept: there are at least two classes—producers and non-producers—in exploitative modes of production, and they are inextricably linked. The domination of producers by non-producers in this relational process creates conflict and struggle between these classes as producers resist the efforts of non-producers to extract labour from them.3

In order for human beings to engage in labour in both non-exploitative (classless) and exploitative (class-based) modes of production, their labour power must be reproduced on a daily and generational basis so that it is available to engage in the production of subsistence (in classless societies) or subsistence
and surplus for extraction (in class-based societies). Domestic labour (food preparation, child care, etc.) is expended to produce labour power, and domestic relations (the relations of labour power’s production) are characteristically constituted in some variation of a family or kin-based household unit.

Historically, women in class-based societies and most classless societies have performed domestic labour. A limited sexual division of labour arises from the biological fact that pregnancy and lactation result in a period of reduced work capacity for a childbearing woman during which she is unable to supply her own means of subsistence. But there is no biological rationale for this limited sexual division of labour to extend beyond the period of pregnancy and lactation. In class-based societies, however, whether women are directly engaged in surplus production or solely involved in producing subsistence, childbearing interferes with the extraction of surplus product by the dominant class. But over the long term, childbearing is a systematic requirement if the labour force is to be replaced through generational reproduction. Hence, a contradiction exists that needs to be resolved if the optimum amount of surplus product is to be extracted from the producing class.

This resolution, which entails minimizing the amount of subsistence product granted to producers while ensuring that ongoing reproduction occurs, takes place in the family. Through a variable process of class struggle and negotiation, the dominant class grants more subsistence product to men than is necessary for their own reproduction, thereby creating the material basis for extended female dependency. In turn, with a certain degree of sexual struggle, women are increasingly given the major or sole responsibility for all facets of domestic labour, while men take the major or sole responsibility for providing the means of subsistence through participation in surplus production.4

Modes and relations of production create structures and ideologies that both legitimate and challenge their reproduction. Historical materialists use the metaphor of base and superstructure to describe this phenomenon. The “base” contains the modes and relations of production and reproduction, with their attendant features, and the “superstructure” contains the various structures that sustain the modes of production (state and other institutions). The superstructure generates coercive structures and legitimating ideologies to sustain exploitative relations of production. In turn, ideologies and structures of resistance develop to give form to critiques of the class and sexual exploitation that are features of exploitative modes of production. These ideologies and structures then intersect with each other, with other ideologies, and within and between the base and the superstructure to create the subjective identities of actors in modes of production. In the capitalist mode of production, for example, dominant ideologies cast the existence and form of its social relations as
natural and normal. Ideologies of resistance, meanwhile, question and criticize these relations with various degrees of intensity at different stages of capitalist development and generate vehicles (trade unions, for example) to channel these critiques and mobilize resistance. Dominant structures and ideologies, in turn, respond to these critiques and mobilizations with their legitimating ideologies and coercive forces.⁵

Modes of production, relations of production, class, productive forces, reproduction, gender, base, superstructure, and ideology are abstract concepts that allow us to dissect the logic of productive activity in particular epochs. They never exist in a pure or undiluted form in history, however. A particular social formation (the mix of political, economic, social, and other structures and ideologies in a particular time and place) may contain elements of various social classes, relations of production, and modes of production. Furthermore, other social forces and ideologies at play in specific formations are not directly related to material production and reproduction, but nevertheless determine historical development to some degree. Racial ideologies, for example, have been used to create hierarchies of race across exploitative modes of production. They are central to slavery, for example. They have also been a feature of global capitalist development and expansion—in part because of the legacy of slavery in certain parts of the world—affecting such things as class formation and stratification, human spatial organization, and gender relations. Any social formation, then, may be a complex mix of modes and relations of production and reproduction articulated to each other in various ways, ideologies of domination and resistance generated by these material forces, and other ideologies that develop their own social power and material force, including the creation of institutions and structures to influence historical events. For the historical materialist, though, material production and reproduction are the chief determinants of historical development.⁶

**Historical context**

Prior to the arrival of Europeans, the inhabitants of the Americas were organized in both class-based and classless societies. The Inca, Aztec, and Maya empires that existed in South and Central America prior to European contact were variants of the class-based tributary mode of production, which they shared with ancient civilizations in the Old World, such as Egypt, Mesopotamia, India, and China. In this mode of production, a state bureaucracy extracted a surplus from its subjects through tax. The inhabitants of Prairie Canada, in contrast, were part of a kin-ordered mode of production in which access to the means of production was controlled through kinship, and power and politics...
were organized in terms of kinship. While surplus labour was created in the kin-ordered mode, it was not expropriated systematically by force from one group for use by another. Rather, it was used for the general well-being of the clan or group, according to kinship traditions. Therefore, classes did not form in the way they did in other modes of production.7

Europeans introduced the forms and relations of production of class-based and exploitative modes of production to Prairie Canada. At the time of initial contact, European societies were undergoing a transition from feudalism to capitalism. Both of these modes of production were class-based and exploitative. In each case, one primary dominant class materially exploited another primary subordinate class, and these class relations of exploitation and domination determined, to varying degrees, other aspects of human activity in the societies in which they operated. The principal feature of feudalism was that land-owning aristocrats dominated the rest of society. This land-owning class exploited peasants by extracting the surplus, through labour or rent-in-kind or money, beyond what was necessary for the latter to maintain their subsistence. Capitalism, meanwhile, is a system of production and exchange for the market in which the principal classes are capital-owning entrepreneurs and propertyless wage earners. Capitalists extract surplus value from wage earners directly through the process of capitalist production (industrial capital) and indirectly through unequal exchange (merchant and finance capital).

Capitalism was born in European feudalism, eventually generating the social forces that would make capitalism dominant in Europe and the rest of the world. Two developments within feudalism laid the basis for capitalist development. First, the handicraft households that were a feature of feudalism, producing goods for lords and monasteries, began in the Middle Ages to sell their goods to other social groups clustered around sites of power and, more importantly, to peasants. Peasants had the financial or in-kind resources to purchase goods as a result of their ability, through resistance, to retain more of their surplus labour. As a result, there slowly emerged a nascent class of simple commodity producers (households producing for a market), separate from lord and peasant but with material relations to them both. Second, merchants were a feature of medieval European societies, generating significant wealth for themselves through the purchase, transportation, and sale of goods within Europe and between Europe and other parts of the world. For most of the feudal period, however, this wealth remained in the sphere of circulation and was not applied either to agricultural or handicraft production.

By the early seventeenth century, however, merchants were beginning to invest their capital in industrial production, and simple commodity producers were generating sufficient surpluses to transform their production processes by em-
ploying wage labour. Similarly, agriculture was transformed as the two classes of feudal production—lord and peasant—gave way to three classes: landowner, capitalist farmer, agricultural labourer. By the late eighteenth century, it was possible to describe England, the first capitalist society, as being fully capitalist in the sense that the dominant mode and relations of production were capitalist.

The history of Prairie Canada developed on the periphery of this transition. The region’s social organization, its relations of production and exchange, and its class structure have been determined by the developing capitalist economies—nourished in feudalism—to which it has been linked. The region underwent its own transition to capitalism, beginning in the seventeenth century and extending into the twentieth century. It was different than the transition in Europe, however. First, there was at least one other mode of production in the mix: the kin-ordered mode of First Nations societies. While there was no feudalism in this part of the world, the organization of production and exchange and the forms of labour that were part of the transition from feudalism to capitalism in Europe—and intersecting with a pre-existing kin-ordered mode of production—shaped capitalist development and class formation in complex ways. Second, from the seventeenth to the twentieth centuries, this region has been an economic and mostly political colony of other states and regions. This has determined the nature of economic development and class formation.

There are three stages in this transition. The first is the period from 1670 to 1810. The year 1670 marks the arrival of Europeans and the introduction of a class-based mode of production, and 1810 roughly marks the establishment of the Selkirk Settlement and the permanent settlement at Red River. Between these dates, merchant capitalism established its presence in the region through the fur trade, and First Nations established relations with it. While there was some working-class formation and simple-commodity production in this period, it was clearly subordinate to merchant capitalist activity and was less important than kin-ordered production. The second stage lasted from 1811 to 1885. In this period, industrial capitalism became dominant in the United Kingdom and was firmly established in Central Canada and the eastern United States. In Prairie Canada, kin-ordered production was subordinated to merchant and industrial capital, while simple-commodity production and wage labour expanded. In the final stage, from 1885 to 1940, industrial capitalism and simple-commodity production expanded in tandem with the expansion of the wheat economy, until the crisis of the 1930s resulted in the decline of simple-commodity production. Kin-ordered production survived in this period but existed on the periphery of the dominant capitalist economy with some limited connections to it.
1670 to 1810

At the time of European contact, Prairie Canada was inhabited by First Nations peoples who, depending on their location and cultural tradition, followed a relatively sedentary life based on hunting/fishing and agriculture, or a nomadic existence focused primarily on hunting (fowl, bison, caribou, moose, other game) and fishing. These peoples were, from roughly east and south to west and north, Ojibwa, Cree, Assiniboine, Blackfoot, and Chipewyan. These societies were organized around kin networks with a sexual division of labour in which women performed primarily domestic tasks, which could extend to agricultural work, and men engaged in the hunt, warfare, and political leadership. Different groups might inhabit the same territory at different times of the year, depending on their resource needs. Trade was an important part of these societies, with exchanges within and between bands. These exchanges were roughly equal and did not involve the organized subordination of one group of people to the other and the consequent development of social classes. Any surplus that was generated beyond what was required for kin or group subsistence was collectively owned. Furthermore, councils consisting of the male heads of households normally made political and diplomatic decisions, and leaders were chosen from among these men, based on heredity and ability.9

The Europeans who arrived in Prairie Canada in the seventeenth century were merchant capitalists seeking furs to transport and sell in Europe. They made their profits in the act of exchange, purchasing the furs as cheaply as possible and selling them in markets as dearly as possible. Although they employed some labour directly for tasks in support of the trade, they mainly exploited labour indirectly through unequal trade relations.10

There were two main groups of fur traders during this period. Merchants in New France and Lower Canada expanded westward through the St. Lawrence, Great Lakes, and connecting river systems from the mid-seventeenth century to eventually establish a transcontinental trade by the late eighteenth century. The St. Lawrence trade was based on small-scale merchant activity in which individual entrepreneurs pooled capital, assembled goods and labour, and hired traders to lead expeditions into Prairie Canada. When the traders returned with their cargo, the merchants sold the furs into European markets. The Hudson’s Bay Company (HBC), meanwhile, was the creation of London investors and had a monopoly, established by royal charter in 1670, to conduct trading activities in the area draining into Hudson’s Bay. The period from 1670 to 1821 was marked by competition between these two groups. The St. Lawrence traders were generally more aggressive, extracting and selling more furs during this period. The HBC traders, meanwhile, were relatively more conser-
ative, being content to enjoy a steady profit. At first they stayed close to the bay, expecting First Nations traders to come to them, but eventually they ventured inland in the face of competition.11

In order to exploit the furs of Prairie Canada, fur trade companies had to forge trade alliances with First Nations peoples. As a result, the class-based merchant capitalist system, based on exploitation, accumulation, and commodity exchange, came into contact with a non-class system based on kinship and subsistence production for use. The European fur traders were reliant on First Nations peoples for the provision of furs and were not in a position to subordinate them and their labour to their will. They recognized that they had to make connections with kinship systems and that they had to make available for trade commodities that would be attractive and novel to First Nations peoples. Kin connections were with men or women, depending on what alliances were necessary to promote trade. Manufactured domestic goods; guns, knives and traps; and alcohol were offered for trade. In the absence of a monetary system, the “Indian tariff” was established as a rate of unequal exchange to allow a healthy surplus for the traders. Some First Nations peoples—primarily Ojibwas, Crees, and Assiniboines—were the primary traders with Europeans, while others provided the furs to these intermediaries.

During this period, then, the economies and cultures of those First Nations peoples who had direct and indirect contact with Europeans through the fur trade were transformed to varying degrees. These First Nations peoples developed a degree of dependence on the commodities offered in trade by the Europeans. Alcohol, in particular, altered the traditional societies. While First Nations labour was not subordinated in a fully capitalist sense, it did grow increasingly dependent on merchant capital for at least part of its reproduction. As well, gender relations in these societies were altered by the fur trader practice of favouring trade alliances with men, regardless of the cultural traditions of their trading partners. But fur traders also found it advantageous to take Indian wives to aid their transactions and to facilitate their survival in this new environment. In this way, the kin-ordered mode of production co-existed with the developing capitalist mode of production throughout this period. The developing capitalist mode was dominant in the sense that it established the terms of trade and commodity circulation while serving to dissolve aspects of the kin-ordered mode with which it came in contact. But it never succeeded in completely subordinating it. Indeed, significant numbers of First Nations peoples in the region had little or no contact with the European trading system and continued to follow the traditional ways unaltered.14

Both the HBC and St. Lawrence traders purchased skilled and unskilled labour to conduct their commercial activities. HBC traders relied on men from
the Orkney Islands of Scotland to provide this wage labour for the first century of its activity in Prairie Canada. Skilled English workers supplemented this supply in the late eighteenth century. The St. Lawrence traders, meanwhile, drew upon French Canadian men from parishes along the St. Lawrence. The standard labour contract in this period was a form of indentured servitude in which workers agreed to provide labour to their masters for a fixed period of time, often five years. The relations of production were also characterized by a culture of paternalism, in which the workers generally accepted their subordinate position and agreed to obey their masters in return for board and wages. Within this social context, however, workers did express their frustrations from time to time. These were mostly individual and isolated cases of resistance, but increasingly in the late eighteenth century, there were collective, although still isolated, forms of protest. This development of a limited collective resistance corresponded with the erosion of the paternalist system. The HBC, in particular, encountered new challenges as it was faced with sourcing workers from the United Kingdom where working-class ideologies of resistance and collective organization were developing.  

The late eighteenth century also witnessed the beginnings of some working-class and simple-commodity-producer formation as a result of the articulation of the kin-ordered and capitalist modes of production. Although traders resisted using First Nations peoples for wage labour, some proletarianization did occur, especially among the Homeguard Cree who congregated near fur trade posts. More importantly, though, the Métis (used here to refer to both English and French mixed-bloods) formed the beginnings of an Indigenous working class and a class of simple-commodity producers in this period. The Métis emerged as a result of the alliances formed between First Nations women and young men employed in the fur trade. In the case of the St. Lawrence trade, young French men who had formed such alliances moved inland from the late seventeenth century to replace First Nations brokers. They established settlements around the Great Lakes that were distinct from First Nations settlements. Following the English conquest of 1763, they began moving further west as far as the settlement of Red River in Prairie Canada. In the case of the HBC, distinct Métis communities developed after the company moved inland after 1790. In both cases, the Métis played a brokering role in the fur trade between First Nations traders/suppliers and company merchants. This economic activity laid the basis for the development of simple-commodity production in the nineteenth century. The Métis also sold their labour directly, working as voyageurs and related occupations in the transportation of furs and supplies.  

Labour power was reproduced in this period within a gendered division of labour. In the kin-ordered mode, women performed most of the domestic tasks,
including child care and food preparation, in heterosexual households containing women, men, and children. For women in those kin-ordered communities that traded directly or indirectly with Europeans, the nature of domestic work was changed with the introduction of metal kettles, utensils, and the like. Those men who sold their labour power to the fur trade companies, meanwhile, were normally part of households in the region from which they were recruited for their bonded service. While working for the companies, however, they were responsible for the reproduction of their own labour power beyond what was provided by the companies as part of their employment contract. This led some of them to take First Nations domestic partners who provided them with the kind of domestic labour required to survive (production of clothing and preparation of food appropriate to the region, for example) as well as with companionship.  

1811 to 1885

The arrival of Selkirk Settlers in 1811 marked the beginnings of the Red River colony and the first permanent European agricultural settlement in Prairie Canada. The colony, and the economic activity it fostered and sustained, also provided a crucible for the development of Métis society and identity. The 1885 insurrection—in which Métis, First Nations, and some white settlers briefly joined forces to resist the form that capitalist development was taking in Prairie Canada in the late nineteenth century—signalled the end of a period in which Métis and First Nations had a direct role to play in the political economy of the region. Between these two dates, the St. Lawrence and HBC trades became one, class relations became more complex with the expansion of simple-commodity production and wage labour at Red River, the Métis emerged as a social force, and the region became a Canadian hinterland with a formal transfer of ownership of the territory, related policy initiatives, and the expansion of white settlement.

The fur trade continued to define the economy of Prairie Canada and its class formation until mid-century. Competition between the St. Lawrence traders (North-West Company, or NWC) and the HBC intensified in the first two decades of the nineteenth century and was exacerbated by the establishment of the Red River colony. Merger occurred in 1821, ending the competition that had escalated to war, and ensured that the HBC monopoly would continue in the region for the foreseeable future. The growth of a Métis economy, centred on Red River and becoming less reliant on the HBC, challenged and eventually broke the monopoly in the 1840s. This economy—based on the buffalo hunt, the fur trade, and independent commercial activity—intersected with hardening attitudes toward racial, gender, and class position in the nineteenth century to create a Métis nation of workers, simple-commodity producers, traders,
and those who still followed the kin-ordered subsistence strategies of survival. While the fur trade continued to play an important role in Prairie Canada’s north after 1850, the plains and parkland were becoming drawn more closely into Canada’s plan for agricultural settlement in the region as part of a new confederated country. The Red River resistance of 1869–1870 was fuelled by the sense of Métis identity that had developed over the previous fifty years and marked both a reasoned attempt to negotiate the terms of the region’s entry into Confederation and an effort to defend a way of life based on the fur trade and the buffalo hunt. The insurrection of 1885 was, in part, a continuation of this Métis resistance, but with the participation of some plains Cree protesting the terms of their marginalization to the new order and white settlers rejecting the nature of their incorporation in that order.16

During the nineteenth century, the articulation of the kin-ordered mode to the capitalist mode of production changed as a result of transformations in the fur trade and eventually was mostly ruptured with the marginalization of First Nations communities as agricultural settlement advanced. The westward expansion of the St. Lawrence trade after 1760 and the consequent HBC move inland had the effect of diminishing the role of Cree and Assiniboine traders as fur brokers. At the same time, the demand for provisions at inland posts expanded. As a result, these former middlemen shifted to supplying the inland trading system with food, which was increasingly buffalo-based pemmican. Their economic activity shifted to the buffalo hunt and ensured a degree of autonomy in the trade into the nineteenth century.

By the second quarter of the nineteenth century, however, a number of factors combined to undermine the Native role in the trade. First, the Métis community at Red River began to displace the First Nations role as pemmican supplier to the trade, and the American buffalo robe trade joined the fur trade in contributing to the eventual exhaustion of the plains buffalo as a natural resource. Furthermore, disease—notably the smallpox epidemic of 1837–38—and alcohol took their toll on the First Nations population. This set the stage for the marginalization of the kin-ordered mode after 1850. The increasing scarcity of buffalo created tensions among Native groups and between First Nations and the Métis. More importantly, though, the sale of Rupert’s Land to Canada as part of Canadian settlement plans meant that there was no longer an important economic role for the kin-ordered mode in partnership or articulation with capitalism. This change was compounded by ideologies of race, which cast First Nations and Métis as inferior to whites. The kin-ordered mode, and the people who followed it, had to be marginalized.17

With the establishment of the Red River colony in the early nineteenth century, the conditions were created for the development and growth of sim-
ple-commodity production in the region. In the early years of the colony, the Métis inhabitants provided food and related products to the HBC, thereby participating in limited market transactions. They remained primarily subsistence producers, however, in a peasant-like economy. With the emergence of other trading opportunities from the 1830s, however—notably the buffalo robe trade—and the breaking of the HBC monopoly in the 1840s, many Métis households in Red River made the transition from subsistence to simple-commodity production in which production, while still household based, was primarily for the market. This trade prospered until the 1860s. The decline of the trade in the face of the exhaustion of the buffalo supply meant a Métis retreat from simple-commodity production, as they did not, for the most part, make the transition to commercial agricultural production. With the growth of agricultural settlement after 1870, however, simple-commodity production began to develop in that sector, but it would not become a significant force until after the turn of the twentieth century.18

In the broader world economy to which Prairie Canada was connected in the nineteenth century, mature capitalist relations of production were developing in Europe and eastern North America with the emergence of an industrial working class. While similar class formation in the Prairie region would be delayed until later, this period did experience the further development of wage labour, including among First Nations and Métis. The fur trade continued to create a direct demand for labour in the form of skilled and unskilled workers at the posts and for transportation. This labour continued to be bonded labour, employed on fixed contracts of normally five years. While this was mostly a passive workforce that did not, like most pre-industrial workers, develop ideologies of resistance and critique, there were numerous incidents in the period of various forms of individual and collective resistance. Red River became an important source of labour during this period, supplying about 50 percent of the employees for the HBC’s Northern Department by 1850. Inhabitants of the colony also sold their labour to employers other than the HBC, especially those involved in the buffalo robe trade and related activities. With the expansion of settlement after 1870 and the growth of towns, notably Winnipeg, the working-class characteristic of early industrial capitalism began to take shape in the form of craftworkers employed in skilled trades and unskilled workers selling their labour in a free market.19

Gender relations and the sexual division of labour became more entrenched in the nineteenth century, while the nature of domestic labour changed for some women with the further expansion of capitalist and simple-commodity production. Women in kin-ordered communities continued to follow traditional patterns, supplemented by European trade goods. By the end
of the period, some were retreating to a more subsistence existence with the exhaustion of the trade and the buffalo hunt in most of the region. The establishment of a permanent settlement at Red River resulted in working-class and simple-commodity–production household formation. In the latter, women engaged in some aspects of goods production in the household, especially in the buffalo robe trade. All women were affected by the hardening of domestic roles in the period. More European women arrived in the region, accompanied by bourgeois notions of domesticity that, among other things, intersected with hardening racial ideologies to construct a hierarchy among women in families that served to subordinate traditional First Nations and Métis family forms to a dominant European/Canadian one.

1885 to 1940

The defeat of the Northwest Rebellion symbolized the marginalization of kin-ordered production as a significant partner in the capitalist economy. While connections between kin-ordered societies continued on the periphery of capitalism, the land and resources that provided the material foundation for these societies were made available for agricultural and resource exploitation as Prairie Canada was brought within the sphere of Central Canadian capitalist development. This period was characterized by the expansion of the wheat economy, the infrastructure to support this economy, and related and separate resource extraction. The main producing classes in this period were simple-commodity producers and workers. Simple-commodity producers dominated in agriculture, while wage workers provided the labour power for infrastructure projects, the light manufacturing that existed in the region, services, and resource extraction.

Two main forces intersected in the late nineteenth century to provide the basis for the incorporation of Prairie Canada into the Canadian political economy and to determine the nature of class formation there. First, Central Canada experienced its first industrial revolution in the four decades after 1850. A home market emerged for producer and consumer goods, and both master artisans and former merchant capitalists expanded into factory-based industrial production. This gave rise to a nascent industrial working class. Production was increasingly centralized in this period in lead sectors of the economy, but control of the pace and rhythm of work remained with the workers through their retention of artisanal methods. Second, a world market in wheat emerged, and the geographic frontiers of global wheat production expanded. As part of this expansion, simple-commodity producers displaced capitalist and peasant enterprises as the primary form of wheat production in all regions of the world market. The
Canadian state, under pressure from various capitalist and non-capitalist groups, undertook its westward expansionist policy, including the purchase of Rupert’s Land, railway building, treaty making, settlement, and protective tariffs.21

In the forty years after 1890, Canada underwent its second industrial revolution, based on wheat production, new chemical and electrical processes, and mining for minerals associated with the new processes. New industries employing these new processes, largely controlled by American branch plants, grew rapidly in this period. These firms, joined by new Canadian corporations formed by indigenous mergers in areas such as agricultural implements and steel, controlled the Canadian economy in the early twentieth century. Those corporations that succeeded in the merger movement in both countries did so by cutting costs through internal economies. This involved, among other things, the development of managerial structures to control and coordinate factor markets, output markets, and the production process. Labour was the most significant production factor to control. The new technologies that formed part of the second industrial revolution embodied human skills in machines, and professional engineers became the new controllers of the production process. New managerial strategies were devised to appropriate shop-floor knowledge from workers, to intensify work effort, and to speed up production.22

The Prairie economy developed in the context of this broader capitalist development and was anchored by wheat production. The wheat economy was not firmly established until the early twentieth century and hence developed in tandem with the second industrial revolution. Although potential farmers were available for migration to the region in the late nineteenth century by the displacement caused by global transformations in agriculture, Canada had to await the exhaustion of cheap American land in that period before agricultural immigrants began flowing northward. With this provision of labour, a grain trade evolved to set the price farmers received for their commodities. The trade centred on the Winnipeg Grain Exchange and involved an elaborate marketing structure presided over by capitalist, co-operative, and state intermediaries that extended from local elevators to terminals at the Lakehead and beyond. Farmers purchased their production inputs and items of personal consumption in an increasingly corporate-organized industrial structure protected by tariff barriers. After the initial homestead and pre-emption period, they faced a fully capitalist market in land.23

A railway network was established across Prairie Canada to service the agricultural economy and to exploit other resources not directly connected to the production of wheat and related commodities. Branch lines were built to connect to the main line of the Canadian Pacific Railway after its completion in the 1880s. This was joined by further main and branch line construction by
other companies after the turn of the twentieth century. Urban centres and rural towns accompanied the development of this transportation infrastructure. Winnipeg was the largest in this period, serving as a centre for the grain trade, a regional railway hub, the main wholesale centre for the distribution of goods on the Prairies, and the site of light manufacturing related to agriculture, construction, and garments in particular. Calgary, meanwhile, boasting the second-largest urban economy in the region during this time, served the regional cattle industry and the emerging petroleum industry. Non-agricultural resources industries were a feature of the Prairie economy as well in the early twentieth century. Coal was the most important, providing the fuel for the railways, most prairie homes, and other uses. The Drumheller valley and the Crowsnest Pass in Alberta, and the Estevan region in Saskatchewan were the most important. Non-coal deposits were discovered and mined in other regions, notably in northern Manitoba, and this region was part of a developing hydroelectric industry in the period.24

The Prairie working class that formed in the late nineteenth and early twentieth centuries ranged from skilled workers in areas such as the railways, mines, and the construction trades through unskilled workers in resource industries, including agriculture. This class was male and female, was composed of a variety of ethnic groups, experienced variable degrees of subordination to capital, and accepted or resisted this subordination in different ways. Skilled workers were the most stable and well paid of the working class. This was a male, Anglo-Saxon bastion that was proud of its craft traditions. The control over the labour process that these workers had enjoyed in the metal trades and mining was being seriously eroded in this period due to employer offensives designed to cut costs and increase profits. Unskilled workers were found in all parts of the Prairie economy. They were most prominent in the urban and rural construction projects, especially the navvies, who provided most of the labour for railway construction. These workers were primarily male and were a mix of a variety of ethnic groups. Unskilled and semi-skilled workers could also be found toiling in the mines and in the various manufacturing and service industries in urban and rural centres. Women workers were a minority of the working class working directly for wages in this period, but could be found in garment, service, and some other industries. Wage workers were also a minority feature of the agricultural economy, either working as isolated “hired men,” in itinerant harvest crews, or as domestic servants. Some First Nations and Métis people participated in wage labour in the period, notably in agriculture and northern resources, but, for the most part, those who did sell their labour power retained a direct connection to the subsistence economy for part of the year.25

The Prairie working class developed an acute sense of its social position in the early twentieth century and expressed that sense in confrontations with em-
ployers. The most noteworthy were the metal trades and construction strikes in Winnipeg immediately after World War I and the general sympathetic strike that shut down the city in 1919. Workers in other centres in the region and across the country staged walkouts in solidarity with their sisters and brothers in Winnipeg. Workers in resource industries, notably mining, and on the railway construction projects were also known for their militancy throughout the period. Prairie workers developed a number of ideologies to express and formulate their resistance. These ranged from the labourism of some skilled workers, promoting moderate reform, to the syndicalism of some miners and navvies demanding the destruction of capitalism. While the former was an exclusivist doctrine, pitched primarily to male and Anglo-Saxon craftsmen, the latter, at least in theory and rhetoric, treated all workers equally, regardless of gender, race, and ethnicity.

While capitalist relations of production developed in the non-agricultural sectors of the economy, simple-commodity production persisted and expanded in agriculture. There were attempts to establish capitalist agriculture on the two-class (employer-worker) model on the “bonanza farms” of the late nineteenth century, but these failed because of the difficulty of maintaining sufficient control of the labour process to ensure the steady extraction of surplus value. As a result, the wheat economy was dominated by household production in which waged workers were occasionally employed, but the bulk of the labour was supplied by members of the household. Farm households were formed as a result of immigration from a variety of sources. Rural Ontario, the Midwest and other agricultural regions of the United States, and a variety of northern European countries were the sources for most farm settlement. The simple-commodity production that evolved ranged from larger and more capitalized operations among some of the settlers from Ontario and the United States, where nearly as much wage labour as household labour was used, to smaller and more marginal farms among some immigrant groups, where subsistence strategies more akin to peasant production supplemented market-oriented production and consumption. In addition, some First Nations and Métis peoples engaged in commercial agriculture, but often this was supplemented by subsistence hunting and trapping.

Farmers, like workers, developed ideologies and movements to make sense of and challenge their place in Prairie and Canadian society. Unlike workers, who were dispossessed of their means of subsistence and had no choice but to sell their labour power in order to subsist, farmers had access to land and could theoretically provide some or all of their subsistence. However, virtually all Prairie farmers were integrated into the capitalist market through the purchase of inputs and the sale of commodities to such a degree that they were
effectively subordinated to an agro-industrial capital composed of grain companies, financial institutions, railways, retail suppliers, and the like. The ideologies generated as part of the Prairie farm movement ranged from the left Liberalism of a W.R. Motherwell through the radical democracy associated with the Alberta movement, to the socialism and communism favoured by mostly immigrant farmers tilling the more marginal farmland in the central and northern parts of Prairie Canada. In some cases, farmers co-operated with workers who shared similar ideologies of resistance to forge common understandings, but these were uneasy alliances for the most part.28

Canadian expansion westward and the establishment of a wheat economy were based on the dispossession of First Nations lands. Whereas earlier capitalist development had involved an articulation of capitalism with kin-ordered societies, industrial capitalism and the extension of simple-commodity production required the disarticulation and marginalization of the kin-ordered mode of production. The Canadian state was a central part of this process through treaty making between 1870 and 1908 to move First Nations people on to reserves, the passage and enforcement of the Indian Act (1876, 1880) to supervise all aspects of First Nations life, the establishment of residential schools to be run primarily by religious organizations to assimilate First Nations peoples to the dominant culture of Canadian capitalist society, and related initiatives, including the attempted inculcation of subsistence agricultural skills. In the northern regions of Prairie Canada, where the fur trade persisted, the articulation of the kin-ordered and capitalist modes of production continued to some degree. The ideologies of domination that were deployed as part of this assault against the kin-ordered mode and the First Nations people who lived it combined traditional appeals to capitalist values with a racism that defined First Nations peoples and their way of life as inferior. In turn, First Nations and Métis peoples began developing their own post-1885 ideologies and practices of resistance. Most of this was passive in this period, such as the continued practice of the Sun Dance and other traditional ceremonies in defiance of Indian agents. But First Nations and Métis peoples were also starting to organize politically toward the end of this period, combining traditional negotiating skills with practices learned from organizations of resistance in the broader society.29

The reproduction of labour power and the sexual division of labour were affected to limited and varying degrees in working-class, farm, and kin-ordered/subsistence households in this period. For the working class in the late nineteenth century, the removal of much goods production from the household during early industrialization intensified the sexual division of labour by confining women more strictly to the home. Some domestic processes were removed to factories, but women continued to produce many goods and services for
the home. During the second industrial revolution, the domestic labour process was transformed. Mass production and mass distribution brought many new products and services to many working-class homes. For farm households, meanwhile, the shifts in mass production and consumption that were part of the second industrial revolution had uneven effects as a result of geography and variable rates of incorporation into the market. Prairie farm women did not experience many of these changes until after World War I, and even then the changes were limited mostly to those areas affecting geographic space, such as transportation and communications, rather than in the areas of housework and child care. In kin-ordered households, by comparison, patterns of domestic labour continued much as they had in the past, with those households that had contact with capitalist markets making limited use of domestic commodities.

**Conclusion**

By World War II, Prairie Canada was fully capitalist in the sense that the dominant form and relations of production were capitalist. While simple-commodity production persisted—and continues to persist—in agriculture, its proportion of the population and the economy decreased dramatically as a result of the dislocations of the Great Depression and the increased mechanization that began in the 1920s and accelerated during the years of World War II and beyond. As has been argued here, however, this was a long and complex process.

A form of capitalism arrived in the region in the seventeenth century with the first European traders, though European society was in the early stages of its own transition to capitalism in this period. The earliest social formation that emerged from the contact between Europeans and First Nations peoples was an articulation of merchant capitalism with kin-ordered groups in which kin-ordered labour entered the circuits of capital through exchange but was not subordinated to it. There was some direct subordination of labour in this period, taking the form of indentured labour primarily from New France and Scotland. By the late eighteenth and early nineteenth centuries, simple-commodity production emerged, notably among the Métis of Red River, who occupied a strategic role in the fur trade economy until the mid-1800s. The latter part of the nineteenth century and the early part of the twentieth century witnessed the development of fully capitalist relations of production and the creation of a modern working class in the region. It also saw the simultaneous expansion of simple-commodity production in agriculture. While kin-ordered production was marginalized with the growth and expansion of the wheat economy, it nonetheless continued to exist on the geographic and economic margins of the region.
While the economy and society of Prairie Canada today is capitalist by any measure, the legacy of this long and complex transition is still with us. The populist politics and culture of the region, for example, is a direct result of the important role that simple-commodity production played in the nineteenth and twentieth centuries. Furthermore, and perhaps more importantly, the articulation, disarticulation, and marginalization of the kin-ordered mode over the course of this long transition continues to affect the lives of First Nations and Métis peoples, and their relations with other groups in the region. One of major challenges facing Prairie Canada in the twenty-first century is how these relations, including the expansion of capitalist forms of production to First Nations communities, will evolve.

Notes
1 Alex Callinicos, *The Resources of Critique* (Cambridge: Polity, 2006), chap. 5.


Bourgeault, "Indian" 63–71; Ens, Homeland to Hinterland; St-Onge, Saint-Laurent, Manitoba, chaps. 2 and 3; Van Kirk, 'Many Tender Ties', chaps. 7–10; Sarah Carter, The Importance of Being Monogamous: Marriage and Nation Building in Western Canada to 1915 (Edmonton: University of Alberta Press and Athabasca University Press, 2008).


24 Fowke, National Policy, pt. 1; Friesen, Canadian Prairies, chaps. 8 and 12; Jim Machoruk, Formidable Heritage: Manitoba's North and the Cost of Development, 1870 to 1930 (Winnipeg: University of Manitoba Press, 2004).


