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CONFRONTATIONS

THE STATE AND POLITICAL ECONOMY

Harold Chorney, Wallace Clement, Leo Panitch and Paul Phillips

With this issue, the *Journal* introduces a new section, titled *Confrontations*. Our first confrontation has a dual purpose: first, to assess recent developments in the theory of the state and their relevance to the Canadian situation; and, second, to appraise in a somewhat more discursive fashion the implications of the new interest in political economy for the development of Marxist theory in Canada.

Our hope in creating this section is to provide a flexible forum through which the *Journal* can respond, in a slightly less formal fashion, to new tendencies in social theory and practice.

For our first confrontation we have experimented with a telephone conference which took place on Thursday evening, September 15, 1977. The moderator, Charles Rachlis, is a Ph.D. candidate in political economy at the University of Toronto and is the author of an article "Marcuse and the Problem of Happiness", to be published in the winter issue of the *Journal*. Harold Chorney has studied at the University of Manitoba and the London School of Economics and has taught at the University of Manitoba. Currently, he works for the Manitoba Housing and Renewal Corporation. He has contributed an article exploring the relation between regional underdevelopment and cultural decay, in a soon to be released collection of essays on Canadian nationalism and American imperialism. Wallace Clement, whose path-breaking study *The Canadian Corporate Elite* appeared in 1975, currently teaches sociology at McMaster University. He is also the author of a forthcoming title *Continental Corporate Power*. Leo Panitch, a professor of political science at Carleton University, is the author of *Social Democracy and Industrial Militancy*, a study of the British Labour Party, and he has edited a soon to be released collection of essays on the nature of the Canadian state. Paul Phillips is a professor of economics at the University of Manitoba and is, among other things, the author of *No Power Greater*, a history of the labour movement in British Columbia.

The editors have been assisted in carrying through this first confrontation by Kenneth J. Hughes, a professor of Canadian literature at St. John's College, University of Manitoba and a member of the editorial board of *Canadian Dimension* and by David Wolfe, a member of the Political Science Faculty, Glendon College, York University.

RACHLIS: *There has been a resurgence of interest in political economy in Canada. It could be argued that this resurgence arises in part out of a dissatisfaction, on the one hand, with a traditional political science which equates the state with political parties and administrative functions — all operating under the tenets of pluralism — and, on the other hand, a dissatisfaction with an orthodox Marxist tradition which reduces the state to the function of an executive committee of the ruling class. One striking thing behind this resurgent interest in political economy, and thereby, behind the renewed interest in the theory of the state, is the new prominence of the actual state itself now.*

Once we have noted the obvious factor of the continuous expansion of the state in the post-World War II period, what other factors would you consider most important in explaining this concentrated interest in the theory of the state and what are the theoretical and practical implications of such factors?

PANITCH: Well, I think some of the factors are specific to Canada, some of them are more general to capitalist or advanced capitalist bourgeois democracies. One factor is the increasing role of the state, the increasing visibility of the state vis-a-vis the economy. Another, very important one, I think, is the general recognition of the failure of social democracy. Social democratic parties have been elected to make changes, but they have failed to make fundamental changes after being elected. Increasingly, we have been forced to ask questions about differences between government and the state and about the focus of power within the state. Moreover, the resurgence of industrial class conflict within the last decade has given the lie to the "end of ideology" argument, an essentially consensus oriented and pluralist theory of the state.

These kinds of factors, I think, have produced interest in the question of the state. Given the specific Canadian case, all of these factors are important, but obviously the crucial additional one is the need for a theory of the state that will somehow explain the relationship of Canada's dependent economy to the centre of imperialism in the United States. Many Canadians got interested in the theory of the state because not enough work has been done, and certainly the least progress has been made to this stage, on the question of the state generally and on the question of its location in relationships between the United States and Canada in particular.

CHORNEY: I would agree with many of the points Leo has made. Certainly, the changing character of contemporary capitalism has made the state much

more important, more obvious, but, it seems to me, one of the elements that has not been sufficiently appreciated in Canada is the way in which bureaucratic relations within the state are really central to capitalism itself.

Now, what I am basically arguing is that capitalism has created an obviously bureaucratic system. Yet, since the corporate sectors have failed to come to terms adequately with the problems of social control, the state has moved into the area of social control, and thus bureaucratic control has become a pervasive feature of modern life. People are now constantly exposed to bureaucratic pressures, and the way in which their lives are organized find a reflection in the state's character.

Now the state, the Canadian state, is in many ways a kind of half-baked state, I suppose. This gets us to the questions of how much independence Canada has from the United States, and what the role of the American corporations is in Canada. In some ways, the Canadian state has not thoroughly developed the features necessary for a modern capitalist state. I think that what is happening now, why there is such a renewed interest in the state in Canada, is that we are entering a period in which the crises of capitalism at the world level appear by coincidence, by historical coincidence, along with a series of other crises which have occurred at the level of national integration, at a time when we are trying to form an economy that functions, an economy that *actually* does accumulate. These national crises have overlapped with the general crises of world capitalism, so we find the Canadian state to be at a particularly critical moment of its history. This is why the state now occupies the interest of more and more people at the present time.

CLEMENT: I would argue that, in large part, what has happened in practice is a broadening of the definition of the state through the expansion of theories of the state into hitherto untouched realms. Our problem, therefore, is not simply one of developing a theory of the state, but one of creating a theory of society. The state does not function in a vacuum, but is wedded to the social and economic make-up of society, and is a reflection of that society. What we need, therefore, is a theory of *society* in order to understand exactly what the *state* is doing, what the essence of state actions is.

Marxism has come to the fore in the theory of the state precisely because it has always been a theory of society. However the debate over the notion of the relative autonomy of the state proceeds, Marxism has continued to root its theory of the state in the fundamental nature of the society, and it has all along seen that the forces that society generates become reflected in the state.

To add something to Leo's statement: I would argue that some of the unique features of the Canadian state stem from the foreign presence in Canada. Developments in Québec also play a prominent role in the resurgence of in-

terest in the state; the political and national crisis centering on Québec has focused attention explicitly on the role of the state. Here we must note, of course, the question of the rise of provincial powers in general, and we must remember that we have a federal structure within which governments are fighting it out with one another, often over the interests of different fractions of the capitalist class.

I would agree with Harold as well with respect to the need for the state within the capitalist society to contain a great deal of class pressure and antagonism. While it is commonly acknowledged that the state has entered the economy in many, many ways, we must not forget its restraining role at attempting to contain the class pressures that have been rising.

PHILLIPS: It seems to me that we cannot understand the nature of the present state without realizing that throughout history the nation-state has evolved to provide the rules of the game by which the capitalist economy can work. If one wants to look at Canadian history, the first state really in Canada was the Hudson's Bay Company which, in fact, performed all of the functions of a state. It set the rules in such a way that their kind of economic exploitation could take place.

I tend to agree with Creighton that the creation of the Canadian state was, indeed, a response to a changing economic crisis in the world capitalist economic order. In contemporary terms and from an economic perspective, Anthony Waterman has described the state in much the same way, as the Canadian fallacy. He says that in an economic sense there is no such thing as a Canadian nation-state. In my view, what we have, very simply, is the changing of rules to accommodate the changing economic order which is dominated by the multinational corporation. Although this economic order is largely American, it is not totally American. Most of the behaviour of the Canadian state is nothing else but an accommodation to the needs of this economic order. This accommodation serves the needs of multinational corporations, but not the needs of Canadians. For this reason, there has been a resurgence of interest in political economy and in the theory of the state among Canadians.

RACHLIS: *I would like to focus discussion on a point that Wally Clement made explicitly, and which was implicit to the other comments, concerning the relationship between the theory of the state and the theory of society. So as to define this relationship more precisely, I would like you to comment on what is the 'state' in the Marxist theory of the state, what are its constituents and what areas of the Canadian state are in need of examination?*

PANITCH: I think we all missed a factor raised by Chuck Rachlis in his opening statement when he spoke of the failure of Marxism to develop a systematic theory of the state. I disagree with him when he says that the root of the problem resides in the Marxist formulation of the modern state as the executive committee of the *whole* bourgeoisie. I do not think that there is a problem with that formulation. I think the problem, rather, can be found in a lack of specification, complexity and subtlety in the elaboration of that fundamental principle. It is in this area that, in terms of developing the conditions for a full theory of the state, advances are to be made. I do not think this involves rejecting a great deal of classical Marxist thought, but rather of building on it. Of course, Marx himself at no point systematically developed a theory of the state as he did vis-a-vis the mode of production.

Having said that, I think that many important developments have occurred in the Marxist theory of the state. These developments have involved a debate over the definition of the state itself. This raises interesting questions similar to those Paul Phillips noted about the Hudson's Bay Company. Should the state, as Miliband argues, be viewed as a complex of institutions in the public sector, or should the state be defined in terms of the functions that are performed by *whatever* institutions in terms of facilitating accumulation and maintaining legitimation for the system?

The debate that has occurred between Miliband and Poulantzas on this question arises out of Poulantzas arguing that you have to see the state in terms of functions, in terms of unifying the bourgeoisie and disunifying the working class. He would, therefore, broaden the definition of the state beyond the public sector to include the family, the media, the political parties and the interest groups, i.e. whatever structures perform these functions. Although this debate is by no means resolved, and although different tendencies in Marxist theory utilize different approaches, it is important that, at least, a clarity with regard to the problematic has evolved.

Most important, and most neglected, has been a particular gain in the theorization which a number of people have been developing. A recent article in *Kapitalistate* called "Modes of Class Struggle and the Capitalist State" attempted to *link* the functions of the state — the output of the state — to Marx's economic categories in terms of whether the state is intervening in the economy at the level of production, distribution or circulation. That I think is a very important theoretical breakthrough. Interestingly enough, Allan Moscovitch, at Carleton University, has also been working on this problem, attempting to intergrate political theory, in that sense, with the more systematic economic theory laid out by Marx. The result is all types of interesting theorizations regarding the specific output of the state and its relation to maintaining accumulation or facilitating legitimation.

There has also been a growing sophistication in understanding the state itself as shot through with class struggle. Although the dominant class, the hegemonic class, maintains dominance within or over the state, depending upon your perspective, the state itself has always to be understood in the context of class struggle.

CHORNEY: It seems to me that Leo has dealt quite well with the essential elements of the Marxist theory of the state, and, in particular, with related developments in that theory. But in discussing a couple of these concepts, he raises some good questions which I would like to pursue further. I do not profess to have the answers to them, but they seem to be important concerns. One of them is the notion of state intervention to legitimate itself as well as the capitalist system, and also to facilitate accumulation. It seems quite obvious that, in fact, the state does function in this way. We can see it in Canada when we examine regional development programmes, unemployment policies and anti-inflation legislation — both the legislation itself and the administration of it.

There remains, however, an element which is part of both accumulation and legitimation, and this brings me to my second concept, that of cultural reproduction. It seems to me that the state does not monopolize cultural reproduction, but shares this area with the corporations themselves as well as with other institutions of society. Certainly it is a critical function of contemporary capitalism to reproduce at the cultural level those conditions which ensure that the vast majority of people in society remain powerless, remain unaware of how they can transform the society.

If we look closely at the working class, we soon discover that it remains a class only in a taxonomic sense, and not necessarily a class in the sense that it is conscious of itself as a class. I am, therefore, quite curious how Leo and the others will respond to the questions as to whether or not in contemporary capitalist society in Canada we really do have a working class, whether, in fact, the state functions in response to specific challenges from working class institutions, or whether the state — even given all of its confusion and all of its contradictions — is still at the rather sophisticated point of being able to fragment class consciousness so that a working class consciousness cannot develop and, therefore, a working class movement cannot develop. Now these are the kinds of questions that are important for me. I do not disagree with Panitch's conception of how the capitalist state functions, for he has painted a fairly accurate picture of the Marxist theory of the state. But the question in my mind is, what does all this mean for social change and what are its practical consequences? I certainly do not have definite answers, but I am curious as to whether the others do.

RACHLIS: *Wally Clement, do you want to respond to the overall question and perhaps address yourself to Harold Chorney's comment as well?*

CLEMENT: I will just make a couple of brief remarks about the overall question and concur with Leo with respect to the theory of the state. The theorists have set out the problematic in a very clear fashion through debate. I think that the major issue now becomes one of *how can we begin to use* the theories of the state in order to make some sense of the concrete situation. This is very similar to the question Harold raised. Our problem is, how do we translate these theoretical issues into researchable problems? I think that the ability to ask the right questions — the methodology — is what is very much lacking. We have had much very detailed theoretical debate, but we have had very little by way of asking the questions and of applying the theoretical debate to Canada.

When we try to apply our theoretical insights to the Canadian situation, we confront immediate difficulties. One major methodological problem with respect to research on the state is the built-in bias in favour of the formal state structure for much evidence. For while the state keeps formal records, these records are of proceedings perceived from an institutional and bureaucratic point of view. As an example, even when we are doing research on the working class, we are not usually doing working class history but union history. We have not really done much working class history. Consequently, I have been grappling with such problems as, What is the working class? And, as Harold has pointed out, How is the working class actually doing? So the problem is much more one of beginning to use the new theories of the state, having acknowledged and accepted the problematics that have been laid out.

PHILLIPS: I disagree with the earlier rejection of the traditional Marxist interpretation of the state, providing we do not simplistically suppose the ruling class to be monolithic. Often, diverse elements loosely coalesce and behind a sometimes tenuous coalition seek to exercize a unified control of the state. These diverse elements may differ considerably in their interests, and as a consequence squabble among themselves, but when there is a mutual threat they soon cooperate. In British Columbia, for example (at the end of the Barrett regime), there was a sudden dropping of all sorts of divisions in the bourgeoisie and a quick falling in behind the flag of Social Credit. When the ballot box poses a threat, you get a Chilean situation. For when the ballot box turns down the ruling coalition, the rejected powers coalesce behind military force.

Québec is an interesting situation at the moment, for there we witness a new coalition of interests within what appears to be a state attempting to bring

together a nationalist or cultural movement with an economic one while giving forth a populist or hinterland appeal that glosses over class interests. You can easily see the conflict that is shaping up when Lévesque flies off to New York to get money.

The question about control of the working class, and divisions within the working class, is one that is increasingly interesting. Obviously union history consists of records, but there are no records of the unorganized. The dual labour market approach to the working class now, of course, separates the market into those who are attached through unions to monopoly capitalism and those who are not, the former being bought off and the latter not. And so the problem with the social democratic approach to government is that there is no working class coalition or consensus *except* on issues which are of critical importance also to the capitalists. One thinks of the problem of maintaining a high level of demand in a climate of uncertainty. So one must *not* think of either the working class or the bourgeoisie as being monolithic, but as having degrees of differences and splits within them. Only in times of crisis do the different elements come solidly together.

I would argue that the whole historical debate over capitalism and the national question in Canada, whether we had a merchant or industrial capitalism, is irrelevant, because as it happens the national policy favoured both.

RACHLIS: *What about the question of the influence of the working class on the state? Can, in fact, working class representation and working class interests concretely effect the direction of state policy-making?*

CHORNEY: In fact, we must look at what working class interests *are*, because I do not think they have been adequately defined. Is there, in fact, a working class that actually articulates interests, or are there institutions which articulate supposed interests of the working class and are therefore defined as working class institutions?

PANITCH: Can I reply to that? But first, can I go to the other point Chorney made? It was very important. On the question of cultural reproduction. One of the lacunae of Marxist thought in the past was that it tended to stress too much the repressive nature of the state, and too little the hegemonic, the cultural aspects. The sophisticated use of the concept of cultural hegemony helps us a great deal in understanding the differences between a bourgeois capitalist system, a democratic capitalist system, and an authoritarian capitalist system. It helps us to understand that while the state has a coercive function which is

based ultimately on the monopolistic use of force, its stability and its normal or contemporary operations necessitate an emphasis on the role of cultural domination. A recent paper by an independent Montreal Marxist grouping referred to the Canadian state in terms of *its speech being repressive* and *its repression being liberal.* I think that this thought captures something very important.

As to the question of the working class, I have some fundamental disagreements with some of the other people here. I do not think that union history is not working class history. I think that it is a partial aspect of working class history, but I see unions as indigenous working class institutions. They no doubt mediate the demands of the working class, but, nevertheless, I conceive of them as working class institutions. The demands that they make upon the state in their mediating role reflect working class interests. In this sense union history is working class history. I agree that it is partial. While there are fractions of the working class which are undoubtedly not represented, union history is still working class history.

I disagree also with the view that the working class is powerless. Class can only be conceived in its relational sense, and in the interrelational sense both classes have power. This is not to say we are dealing here with the power of equivalents. But Marxism as a dynamic theory and as a dynamic praxis is obviously involved in developing working class power. It, too, can be a hegemonic force in society. In a day-to-day sense, the working class uses its power, for it formulates demands both through its indigenous organizations and, to some extent, spontaneously. The operations of the state have to be understood precisely, as I said before, in terms of the class struggle. The urgent methodological problems Wally Clement talked about are great, and although we have solved some methodological problems by looking at the linkages between the state and class-structuration, and others by seeking to understand the functions of the state in concrete policy terms, we have not yet made great advances in terms of a systematic understanding of how these policies are brought about by the class struggle.

RACHLIS: *Let us go back to Wally Clement, since he said earlier that he wished to address Harold's question on the working class.*

CLEMENT: I would agree with Leo Panitch with respect to class being a relational concept, and I think that this is crucial to an understanding of Canada. Leo and I have discussed this before, and it is certainly not a new point. C.B. Macpherson made it long before we did. But the importance remains of the

persistence of the petty-bourgeoisie as the most powerful class outside the capitalist class in Canada almost to the outset of the Second World War. Prior to this time, Canada had a primarily rural, agrarian and resource-based economy. After that time, we have a Canada with a very distorted economy, with an enormous focus on industrial resources, and with a resource-based proletariat, much of which is not urbanized. Consequently, a distorted pattern of industrialization has occurred, and this has had ramifications in terms of the nature, scope and power of the working class.

We have had simultaneously a rapid development of the state sector as a very important employer. I think Hugh Armstrong demonstrated that by 1971, twenty-two percent of the labour force was employed by the state, as opposed to six percent being thus employed in 1946. This was a tremendous growth at the same time as Canada was industrializing. So rather than the petty bourgeois class moving into traditional industrial pursuits, it has moved in large part into the state sector and service industries which are crucial employers in Canada. The state becomes a major employer! So really, the petty bourgeoisie in decline moves into quite bureaucratized settings. This makes for some interesting dynamics, especially in Québec, where the struggles that go on, do so along with the struggles *within* the state.

There is no doubt that we have a working class, but it is a *fragmented* working class. Along with it we have national questions that confuse the working class, and splits between national and international unions that confuse the political problems of the working class. I think that the fundamental place to look is in the economy itself, to Canada's initial persistence in commodity production, industrialization from without and the focus on resources. Looking at some of the society level factors, and how they shape the class structure, will tell us much about the politics of the working class, the actions of the working class, how it is fragmented, and why it is political at some times and not at others.

PHILLIPS: I would like to expand on one or two points: the growth of the state, particularly of what might be called the technocrats, and the fragmentation of the working class. Government has to a large extent become an employer of last resort in order to prevent mass unemployment. In Québec the strong support for the Parti Québécois comes from the technocrats. These are the technical people who have no function in the higher echelons of multinational corporations, people who cannot rise in the multinational corporation because they are French. The only way they can rise, in fact, is through the state. Their only interest, indeed their only coalition, is not finally with the working class. They use the state for themselves and defend the role of the state as a mediating, umbrella organization. It strikes me that much of the growth of state employment is "bread and circuses".

RACHLIS: *Given the issues raised and the problematics articulated here, what are the exciting things — the real spurs to activity — that are going on, not simply in academic terms but outside the academic pursuit of political economy?*

PANITCH: It is difficult to say that there is a great deal going on that is exciting, particularly in the wake of the very serious defeat of the working class — the organized working class — on wage controls.

There are all kinds of Marxist *groupuscules* emerging in Canada, most of which I do not personally find exciting. Yet, within the working class, there is an increasing number of workers, young ones particularly, who are rising into positions of responsibility, primarily at the local level, but also to some extent above that. These are the workers who have not been tainted by the anti-communism that affected the previous generation and they are open, therefore, to radical, even Marxist, ideas. In terms of building linkages between Marxist strategy and spontaneous or trade union working class action, I think that is exciting. There is evidence also of the Québec trade unions, and even now of trade unions in English Canada hiring people trained in Marxism to cover their research work and to turn out pamphlets containing a Marxist analysis. I think all of that is exciting.

I would not like, however, to end this discussion on an up-note entirely. There is much more analytic work to be done in the area of the state in Canada, and with regard to the role of the state vis-a-vis the American empire. This is an area where, despite all kinds of work with respect to the economy (together with Wally Clement's analysis vis-a-vis the corporate elite), there has been very little in the way of systematic gains on questions such as whether the state is the primary link between American imperialism and Canadian society, or whether the imperial link occurs at the level of civil society; i.e. through culture or through inter-class relations. Those kinds of question and, with them others such as whether we are to understand the behaviour of the Canadian state in terms of domestic class forces (including a comprador bourgeoisie), or whether direct external influences from multinationals and foreign states have played a major role, such questions have not been properly addressed. With regard to the spécificity of the Canadian state, they need to be addressed.

CHORNEY: I would have to confess that I am much more pessimistic. Perhaps that comes from having worked for the past five years for the state itself in a much more direct way than one would in the academic community. I am not certain that that does not colour my outlook more than if I had been working in the academic community.

In fact, my impression also comes from having spent a number of years attempting to deal in an educational way with working people, from having tried to develop educational programmes for workers and for trade unions, where I found — and here I disagree with Leo Panitch and others — that the very institution which was supposed to be a working class institution was very much dominated by bureaucratic functions and by cultural hegemony in terms of culture and outlook.

Needless to say, I do not see around me a universal subject about to arise and emancipate us all. That is sadly lacking at the moment. I think, in fact, that the absence of the subject of our emancipation is one of the great crises of our times. The fragmented, privatized lives that people lead in the state is an important area requiring further exploration, particularly in Canadian radical thought. Nonetheless, I find it a bit more heartening that there is a sophisticated attempt on the part of a number of people who try to grapple with theoretical notions which develop from a Marxist tradition and try to make them more meaningful in the context of present realities. I get the distinct impression of a possibility of more disenchanted people looking for alternatives, becoming more conscious that alternatives simply have to be found. I think, however, that the crisis of the Canadian state is mirrored as much by the crisis of Canadian thought , and that the Canadian Left has not yet worked out how we can reactivate the subject of our emancipation. I would like to see that happen and then I could be a bit more optimistic.

CLEMENT: Certainly the resurgence of political economy has been important for me and for a large number of people. I think that there is a community of interest developing. As to why this has happened, there has always been a political economy tradition in this country, but it has been smothered, especially in the social sciences, by perspectives imported largely from the United States. However, the university system has recently developed to the point where people can actually study and teach in Canada and remain here to research Canadian problems. This is encouraging to me.

What is also encouraging is the disintegration of the rigid barriers that existed in the past between the various disciplines. Political economy is having a large role in this. And, I think, in general, the interest in political questions, in questions of *real* political importance, comes from the politicization of a broader range of academics than in the past. I do not think they regard themselves any longer as commentators, but write for much more than an academic audience, for a broader audience. Larry Pratt the other night (the dramatization of Pratt's book *The Tar Sands* on CBC T.V.; Monday, September 12) was certainly a major step forward in Canadian political economy.

Very personally, I am quite excited by the current developments, because I am doing some research for which I have been waiting a long time on transformations in the Canadian class structure, and I am now in a position where I can think five years ahead and design all kinds of research over that period. There are enough people around to talk with and to debate with, so for me, on a very personal level there is the development of a critical mass of people interested in the problems I consider to be the important ones. And we are about to do some work.

PANITCH: Can I add to what Wally is saying? I think that all of what he has said is terribly important, but there is something else, and that is the critical mass of people who are, in their political work, giving serious thought to the question of strategic theory. One big question is, How do Marxist intellectuals sink their roots in the working class? A number of us have been working on this problem, but it is too big a subject to go into it tonight in more detail. I thought I would mention the problem because it is central.

PHILLIPS: I do not know whether it is the West or the weather, but I am even more pessimistic than Harold Chorney. I am at the same time in a state of euphoria from all this intellectual stimulation. What has happened in Québec raises intriguing questions. The worst part of it is that these are scarcely talked about. So much for the pessimism.

There are two developments that interest me personally: one is the resurgence of interest in political economy. I came through the University of Saskatchewan when it was one of the centres of political economy and my interest has never flagged. So obviously I am pleased about this development. The second happy development is the increase in interest — particularly among young workers — in the concept of workers' control, workers' self-management. Along with this has come a welcome interest in an understanding of both alienation and the dehumanization function of technology as the agent of class control. These are part of a broader intellectual explosion which concerns itself with not only alienation from capital but from power, from one's country, one's milieu. Perhaps there is something to get excited about! Maybe I am dreaming, but I would like to hope.

KROKER: *In light of the questions which have been raised concerning the difficulties in formulating a politically conscious workers' movement in Canada and the possible need for a reappraisal of the Canadian Left, would you care to clarify whether, and what, progressive tendencies are emerging from the Québec situation?*

PANITCH: *Of course* there are progressive tendencies. There is no question but that the Parti Québécois — which is by no means a proletarian party — is a progressive force in relation to the reactionary forces that the Liberal Party represents. However, to go overboard on that, to engage in wishful thinking with regard to what some people see as the possibility for "doing a Cuba" in which a petty-bourgeois party mobilizes the working class, kicks out the Americans and turns itself into a sort of Communist Party, that surely seems to me to be a pie-in-the-sky dream. But that is not to say that there are no progressive tendencies in the Parti Québécois, and that they are not undertaking progressive actions in terms of building a new compromise, a class compromise, in Québec. Inevitably, that is what is happening, and the anti-scab legislation is an example of it, although there are other areas where they are deficient, particularly because of their need to secure American loans.

Another important, progressive tendency, which is occurring in Québec as well as in English Canada, is a tendency on the part of political activists to stop thinking that they have to have *the* correct line and *the* correct formulation of the proper party organization before they engage in struggle. In fact, there is a realization that one cannot conceive of the revolutionary party in the abstract, that only when a sufficient number of workers have been mobilized into Marxist action groups across the country can one address the question of what kind of party is needed. The working class itself has to be involved in building that.

CHORNEY: It seems to me that while it is quite true that the events in Québec have definitely opened up a whole area in which progressive notions can be articulated, and in which long submerged questions can be finally asked about the nature of the Canadian state and the Canadian nation, at the same time it is very interesting that the Québec question has also been a kind of touchpoint for many working class people in terms of their attitudes towards the basic way in which they have been culturally dominated by various notions. In particular, to put it quite frankly, the kind of racism that one finds amongst many people in English-speaking Canada. Maybe it is more particular to the West than it is to central Canada, but one finds a tremendous latent hostility towards the idea that the French in Québec should be able to assert themselves and create an independent and autonomous state. And it seems to me that Trudeau and the Liberal Party have very effectively and very dangerously, played on that fear and have used it to deflect attention away from some of the very important issues that currently, in both the economic and social sense, are very critical at this time.

I would see the Québec situation, dialectically, as cutting both ways. On the one hand, there are very progressive things: Leo has mentioned some of them — the labour laws, the idea of the Québec people finally daring in the ballot

box to vote for something that they have been told for generations is anathema. These are the progressive features of it, but at the same time, it has enabled some very reactionary things to get stirred up. And I am really very curious to know how the Québec situation will be resolved in a way that will prevent the Canadian state as a whole from becoming more authoritarian. I see that as one of the important challenges for people on the Left, to see how they can deal and come to terms with that particular problem.

CLEMENT: I have little to add to what Harold and Leo said, except to say I would agree that it certainly is progressive. It has opened debate. I should add that I have great fears as well about the consequences because the actions of the U.S. state are very frightening. But I think that there has also been a submerging of some of the class issues. This has caused a concern on my part. But I think it important to support these moves in Québec for autonomy, for control, for people controlling their own lives and being able to have a say in matters that affect them. One can hope that it will be a positive lesson, but if the forces of repression become too strong, it can have regressive ramifications throughout the country. I would agree with Harold that psychologically the effects are at best mixed.

PHILLIPS: If I can continue a point I made earlier, the Parti Québécois is obviously a coalition of both progressive, petty bourgeois, and technocractic forces sheltering under the umbrella of nationalism. It is also obvious that there are powerful progressive tendencies within the working class trade union movement in Québec, which are much stronger than anywhere else in Canada at the present time. Once the problem of the state has been resolved one way or the other (i.e. an independent state or a modified Confederation), then the class issues have to come to the fore. My fear is that the progressive elements will then break down along the old lines, and we shall see a government of not-so-progressives which will be, at best, social democratic, and, at worst, liberal. This is the tradition that has usually prevailed in Canada.

With regard to the West, I do not think the opposition is to Québec. The opposition rather is to central Canada, to a kind of pure dictation from the metropolitan centre. The opposition in the West to Ottawa and Trudeau's Frenchification program imposed from on high is essentially the same response as that of the Farmers' Movement earlier in the century to similar edicts from similar directions. The resistance is to solutions to problems that have meaning in the centre of Canada but very little meaning in the West.