Heartland, Hinterland, and the Staple Trade

Chapter 8 (pp. 98-107)
Vocabulary

► Heartland?
► Hinterland?
► Staple?
► Huh?

► Some technical terms will be used... be ready!
Harold Innis

► Professor of political economy at the University of Toronto

► In the 1920s, he helped develop, with W.A. Mackintosh, the “staple thesis”
  - Canada’s economy but also political history and culture is based on the exploitation and export of staple commodities such as cod fish, furs, timber and wheat
European expansion and mercantilism

- The Spanish and Portuguese explored and settled in Central and South America
- The French and the English explored and settled in Central and North America
- Mercantilism: market economy controlled by the government, with the goal of increasing the amount of money in the state coffers
Cod fish

- High demand for fish in Europe
  - cheaper than meat
  - religious restrictions on meat
- John Cabot reported back to England in 1497 about the cod fish off the coasts of Newfoundland and Cape Breton
- Within a few years, England, France, Spain, Portugal and the Netherlands fish on a regular basis off Newfoundland
Cod fish

► Wet fishing

- sailors stayed on board for the duration of the fishing season (several months)
- fish was cleaned, filleted and salted on board
- required to bring along large amount of salt
- mainly practiced by France, Spain and Portugal

→ why do you think?
Cod fish

Dry fishing

- fish was brought onshore to be cleaned, filleted, salted and dried
- required small drying shacks and temporary housing for sailors
- required smaller amount than wet fishing
- mainly practiced by England → why do you think?
Cod fish

- benefited European nations only → perfect mercantile model
- had little to no impact on Aboriginal peoples societies
- did not require permanent settlements
Cod fish

- Dry fishing is more economically profitable:
  - uses less salt
  - allows more fish as cargo

- Dry fishing led to the first contact with Aboriginal peoples and to the development of the fur trade
  - trading of furs with Aboriginal people
  - motivated the French to push further inland
Fur trade

► started mainly by the French
► high demand in Europe for furs
  ▪ fashion of fur hats, especially beaver
  ▪ depletion of European fur sources
► required collaboration between the French and Aboriginal peoples
  ▪ The French needed the Aboriginal peoples to hunt, and to help them survive
Fur trade

Trading between the Wendat (Hurons) and the French:
- beaver pelts in exchange for metal tools and other European goods

Political alliance between the French and the Wendat
- the French become involved in Aboriginal conflicts (Wendat vs. Haudenosaunee)
Fur trade

- Henry Hudson explored North America in 1610 for the English
  - England becomes aware of the land around the Hudson Bay
  - possible trading opportunities with Northern Aboriginal peoples
- Charles II created the Hudson’s Bay Company by Royal Charter in 1670
Fur trade

► Rivalry between the French and the English
  ▪ the French controlled the St. Lawrence Valley
  ▪ the English controlled the Hudson Bay

► Permanent trading posts are set up in strategic places
  ▪ beginning of European colonisation
Fur trade

► Heartland vs. hinterland
  - heartland: economic centre of a region or country → Europe
  - hinterland: a region that provides the resources for the heartland → Canadian colonies

► benefited mainly European nations
► benefited Aboriginal peoples a little at first
Fur trade

► loss of land on Aboriginal side
  ▪ increase of conflicts among Aboriginal nations hunting for the Europeans regarding territories
  ▪ Europeans are settling down and claiming land for themselves
  ▪ displacement of Aboriginal peoples

► traditional Aboriginal economics and culture threatened
  ▪ Mercantilist/capitalistic models replace traditional community ownership model
  ▪ Christianity brought by missionaries
Fur trade

► Wars
- French / English conflicts from Europe spread to colonies
- Europeans involved in Wendat / Haudenosaunee conflict
- Aboriginal groups fight over territories and access to furs

► Diseases
- entire Aboriginal population are wiped out by European diseases
Timber

French did not exploit Canadian forests much

the U.K. needed wood
  - largest navy in the world
  - local forests are depleted

British North American colonies became the first supplier of timber for the U.K.
Timber

- **1776-1783: American Revolution**
  - the U.K. loses its timber supply from New England

- **1803-1815: Napoleonic Wars**
  - the U.K. loses its timber supply from the Baltic region (Northern Europe)

- Canada became the main source of timber for the U.K.
Timber

- The U.K. gave its Canadian colonies preferential trade status
  - Better trading terms than with other colonies
- The U.K. set up privileged tariffs on timber from its Canadian colonies
  - Tariffs are taxes on imported goods
  - Better deals for Canadians to trade with the UK than other places
Timber

► Shipbuilding
  - needed for fishing and trading
  - beginning of large scale manufacturing (secondary industry) in the Canadian colonies
  - timber from Maritimes and Eastern region
  - shipbuilding mainly in Maritimes
► replaced by iron and steel
  - mainly in Eastern Canada (today’s Ontario and Quebec)
Wheat

- European markets are disturbed by wars
  - the U.K. turned to its North American colonies
  - Prairies have very fertile land → perfect for cereals
- Preferential tariffs
  - Corn Laws of 1820
    - very expensive for U.S. to export their wheat to U.K.
    - very cheap for BNA for export their wheat to U.K.
  - Preferential Trade Status of 1825
    - easier for BNA to export to UK
Wheat

► Europeans settled in the Prairies
  ▪ new immigration wave
    ► many newcomers are from Eastern Europe, not British Isles
  ▪ Need for roads, canals and trains to export grains
  ▪ Prairies became – temporarily – the heartland of Canada
Heartland

Heartland not fixed in one place

- Cod fish: Europe
- Fur trade: mainly Europe, but Eastern Canada (Quebec) as well
- Timber: Maritimes, and Eastern Canada
- Wheat: Central Canada
Hinterland

- Hinterland not fixed in one place
  - Cod fish: coasts of Newfoundland and Cape Breton
  - Fur trade: Eastern Canada (Quebec), Hudson Bay area (40% of today’s territory!)
  - Timber: Maritimes, Eastern Canada
  - Wheat: Central Canada
Relationships with the U.S.

- Preferential Trade status and tariff laws
  - limited U.S. exports
    - gave an advantage to Canadian staples trading with U.K.
  - U.S. limited imports from U.K.
    - created a disadvantage for British economy
- U.K. repealed Preferential Trade status and tariff laws
  - Canada’s economy fell into a depression
Relationships with the U.S.

★ Reciprocity Treaty, 1854
  - Free-trade agreement between BNA and U.S.
  - Economic boom for Canada
    - American Civil War (1861-1865) increased demands

★ Repealed in 1866 by the U.S.
According to Innis, the Staple trade explains the differences between Canadian regions:

- In the Atlantic provinces, where cod was fished, there is a strong tradition of decentralisation (lots of small towns, no central power) and of cooperation between people.
- There is also a strong tradition of seasonal work.
In Eastern Canada, where the fur trade was organised, there is a tradition of large companies, with very business-oriented philosophies.

Innis believed the fur trade is what made Canada different from the U.S. and created the country’s boundaries.
Back to the staple thesis

- In the Prairies, farming is a very independent work, so there is a distrust of governments and corporations.

- Farming also depends on weather, which cannot be controlled, so help is needed during hard times. Universal healthcare and the NDP both originate from the Prairies.
Questions?