THE POWER OF INDIGENOUS CAPITAL IN A COMPANY PROVINCE: AN ANALYSIS OF THE RULING CLASS OF BRITISH COLUMBIA

by

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ABSTRACT

This thesis attempts to assess three views of the structure of power in western industrial societies; the Marxist, the elitist and the pluralist. The main claims of the two most radically opposed viewpoints, the Marxist and the pluralist, are summarized in a series of hypotheses which are expressed as five statements and counter-statements. The province of British Columbia is used as a case study to examine the validity of these statements and data are collected on the political and economic elites of the province.

The methodology employed to select the economic and political elites and to test these hypotheses is similar to that employed by Porter (1965) and Clement (1975). This enabled a comparison to be made between data collected in British Columbia and data collected from national samples.

Support is found for the Marxist statements although a simplistic Marxist view, which held that economic elites exercise political power directly through the occupation of political office, is rejected. The weight of the evidence suggests that the economic elite is a cohesive, homogeneous, closed group of men who are in a position to wield superior power vis-a-vis the political elite as a consequence of their internal strength, the dominance of their ideology

and their strategic position in the metropolis. In contrast, the political elite is open, fragmented and heterogeneous. The conventional wisdom that a society closer to the frontier is more open is questioned by comparing data collected in the province and data collected in national studies.

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Since the views expressed in this thesis are rather controversial, it may be worthwhile emphasizing that I alone am responsible for everything which appears in the following pages.

CHAPTER I

INTRODUCTION

Whenever Canada is examined as a society it is almost always considered in terms of its identity crisis, bi-cultural problems, or agonies as a pygmy nation in thrall to one or another over developed empire. The country is rarely viewed through the prism of its status as one of the world's most successful capitalist states. Yet that's what we are--a capitalist society run by clusters of interlocking elites.

Peter C. Newman, *The Canadian Establishment*, Volume 1.

1.1 Introduction

There is one simplistic and inadequate study of the power structure of British Columbia.[1] Faced with the almost complete absence of published material on provincial elites one becomes, by stages, intoxicated with the freedom this affords, disorientated as the signposts for study that secondary literature throws out do not exist, and then sobered by the limitations imposed by the scope of a Master's thesis. This thesis represents only a very small beginning to the ethnology of the ruling class of British Columbia. As such it attempts to collect basic information on the indigenous political and economic elites of the province, use these data to throw partial light on the theoretical debate between Marxists, Pluralists and Elitists, and compare data collected in B.C. to national trends.

1.2 Canadian Literature

There is a small, critical tradition in Canada of upper-class business studies. They can be divided into four strains:

1. Anti-big business studies, beginning with Gustavus Meyers' *History of Canadian Wealth* in 1914, with a long gap to the 1960's to Libbie and Frank Park's *Anatomy of Big Business,*[2] and far more recently the writings of Laxer, Deverell and Chodos[3] in such books as *Corporate Canada.* These studies tend to be heavily rhetorical and concerned primarily with foreign domination of the

Canadian economy.

2. Individual and detailed company histories such as Merill Denison's *The Barley and the Steam.*[4] These are invariably highly specialized, atypical studies.
3. Systematic, socio-economic studies: Porter's *The Vertical Mosaic*[5] and Clement's *The Canadian Corporate Elite*[6] These are national in scope and afford only cursory treatment of provincial peculiarities
4. An emerging sub-category of books on big business which are journalistic in style, for example, Newman's *The Canadian Establishment*[7] Theoretical concerns are very muted in these works.

Despite this list the literature is quite sparse and general. What is lacking is any analysis of provincial elites and power structures.

1.3 Justification

As a result all three justifications of topic choice stem from neglect. First, it would appear that political scientists and economists in Canada, with the exception of the group of individuals such as Deverell and Chodos, now centred round the *Last Post Magazine*, have neglected an essential task. They have failed to point out powerful individuals, families and corporations and describe how such individuals or conglomerates exercise or retain power. It is quite possible to study economics and political science

and remain completely uninformed as to where power lies. Legal-institutional power, the role of the Parliament, Cabinet and Prime Minister, is invariably well covered,[8] as is, with the emergence of behaviouralism, the role of political parties, pressure groups and voting public.[9] Corporate power goes largely uncovered. The studies of corporate power which do exist concentrate very heavily on foreign domination of the Canadian economy.[10] Consequently, too little attention has been paid to the survivors of a once powerful indigenous elite who still control large sections of the Canadian economy: the major banks, the CPR, Eatons and in B.C., Woodwards, and MacMillan Bloedel. Explanations of this class are also invariably in the style of *MacLeans Magazine* nationalism,[11] what Watkins has neatly termed "14 Canadian Millionaires and How They Got That Way." There is little analysis, the pieces display little critical spirit, written more in the style of gossip columns than serious literature. The major exceptions to my blanket criticism is the work of Porter (1965) and his self-selected successor, Clement (1975).

This brings us to the second area of neglect.

Black, in his review of Porter,[12] indicates power structure research in Canada has neglected provincial politics. The work of Porter and Clement has a centralist bias. As Black points out:

> Any group finding the major decision in its area of special concern were being made in the provincial capital rather than the federal capital would be acting irrationally if it were to seek influence and representation at a national level.[13]

National studies ignore the realities of a federal/provincial system where power rests not only with the centre but also the periphery.

The third area of neglect is in the realm of middle-range theory. Some of the more obvious shortcomings of much empirical research in this area have stemmed from the lack of a clear theoretical structure.[14] Many of the factual studies have fallen into the trap of undirected and crude empiricism. Theorists have erred in the opposite direction being unwilling and unable to test their ideas by applying them to specific cases.[15] Without the discipline imposed by actual research, their ideas have become grandiose and contradictory[16] and their concepts poorly defined. Leo Johnson has remarked on the Canadian situation:

> Unfortunately, when one looks back over Canada's political and intellectual history there is little evidence on the Canadian left of the deep concern for factual accuracy, indigenous theoretical elaboration, and insight into the unique circumstances of national class development which has characterized European Marxist thought.[17]

This study attempts to address all three areas of neglect, being a provincial study of indigenous political and economic elites firmly grounded in both theory and empirical research. What follows in the chapters below can be divided into three parts:

1. Description:

   (a) A descriptive profile of the indigenous political and economic elites in British Columbia in terms of:

   Class origins
   Social background
   Birthplace
   Schools attended
   University attended
   Career pattern
   Memberships of clubs
   Memberships of professional organizations
   Directorships, presidencies, vice-presidencies held
   Community, educational and cultural involvement

2. Theory:

   An attempt to assess conflicting views of the structure of power in western industrial societies: pluralism, elitism and Marxism.

3. Comparison:

   A comparison between data collected in British Columbia and that collected in similar national studies by Porter (1965) and Clement (1975) with a view to testing conventional wisdoms about B.C. For example, does B.C. have a less mature class structure than the rest of Canada? Is elite access more open?

It is important to note that subject matter is limited to indigenous elites, that is to individuals resident in the province. Given the political economy of not only British Columbia but Canada as a whole, this inevitably means that large numbers of influential individuals will not be covered

in this study. One thinks especially of the large number of U.S. citizens and eastern Canadian residents who sit on the Boards of the major B.C. corporations.[18] The 18 dominant industrial corporations selected for study in British Columbia had a total of 182 directors, only 68 of whom were B.C. residents. The 10 insurance companies examined had a total of 142 directors, 6 of whom are B.C. residents. In banking, B.C. fares slightly better, of the 313 directorships of the 10 chartered banks, 36 are B.C. residents. However, if one discounts the Bank of British Columbia, the smallest and newest of the chartered banks,[19] of the 295 directorships left only 19 are B.C. residents.

An absentee class undoubtably has a large measure of control over the B.C. economy and this is an unknown quantity in any equation of power in British Columbia. Studies of indigenous power are however rare and therefore valuable. This study can be seen as an attempt to give value to only one missing quantity, that of indigenous wealth, other subsequent studies can fill in other missing quantities. Nevertheless, it is important to note that these are provincial representatives operating in a B.C. context, their offices and homes are situated in the province, as such they have day to day contact and interest in provincial decision-making unlike their eastern and American counterparts who are perhaps more remote from provincial issues and concerns, esconced as they are in their offices in Montreal, Toronto,

New York or Chicago.

1.4 Methodology

In compiling my list of members of the provincial political and economic elites and in deciding what variables to select when examining their social backgrounds and current situations, three factors were highly influential in my choice of both. These are:

1. The methodology employed by Porter and Clement. If B.C. data are to be strictly comparable, it must be collected in similar ways;
2. The information which is available. Data on prominent political and corporate figures are often difficult to obtain.
3. Theoretical perspective. This influences among other things where one looks in studying power structures. In searching for a workable research design, certain assumptions must inevitably be made.

In studying economic and political elites one must first define who we mean; this is far from easy.

The problem of defining what one means by an elite is a perennial one. We can begin by recognizing that there are two types of elites. The first type of elite is composed of people of superior character or energy, the second type of elite is composed of people at the head of hierarchical organizations. The former definition involves a moral or psychological conception of the elite. In this conception

an elite is composed of men and women of finer moral character. The second definition, where the elite is defined as those individuals who occupy formally defined positions of authority, is an amoral or materialistic conception. We will use the latter definition of an elite as it is more objective and allows us to select members of the elite in a more systematic fashion.

Having decided on our definition of elite we encounter two problems. First, how are we to draw the line between those at the top and those who possess recognized authority but who are not of the elite? We can solve this problem in one of two ways. We can employ an objective method to select the criteria for elite membership and use measurable items such as income, ownership of property, level of education, or position of responsibility or power. We could, on the other hand, use a subjective method and rely on the opinions or judgements of some members of the community, concentrating on prestige rather than wealth or power. This method has gained the title "reputational." This subjective method is more closely tied to the moral or psychological conception of the elite than the more materialistic conception so we shall use the first method for drawing the line between elite and non-elite. It must be borne in mind that by lowering the line we could define the elite out of existence and by raising it we could make the elite a very small circle indeed. This will be considered when we define our political

elite.

The second problem we encounter is the fact that although an individual may possess certain formal trappings of authority this does not allow us to infer that this individual wields effective power. We do not assert however that the ones we select are the only ones who wield power, merely that they represent certain segments of each elite.

In the context of Canadian and now a British Columbian study, let us begin by examining Porters definition of the political elite. We find it on page 604 of *The Vertical Mosaic.*[20]

> The political elite has been defined as all those who were federal cabinet ministers between 1940 and 1960, all provincial premiers in office during that same period, all Justices of the Supreme Court of Canada, Presidents of the Exchequer Court and Provincial Chief Justices who held office during the same period.

Porter excludes the following: Provincial cabinet ministers, Members of the House of Commons, Members of the Senate, Members of the Provincial Legislatures. In doing so, Porter lays himself open to criticism. His sample is federally biased, scant regard is given to provincial power. His exclusion of provincial cabinet ministers rests on the unproven assumption that in "provincial cabinets premiers occupy a pre-eminence which almost belies the notion of collegiality."[21] He goes on to buttress his position by introducing the notion of "chieftainship" (the superior power of the premier) in provincial politics, thereby glossing over

the difficulties of assessing the power and influence of a premier vis-a-vis the cabinet, his parliamentary party and rank and file membership. One suspects a more credible reason for the exclusion of provincial premiers follows, "a further reason for leaving them out is that there would have been a formidable task in collecting the necessary data about them."[22] Yet data on provincial cabinet members are readily available from the *Canadian Parliamentary Guides* for those years. Porter's exclusion of federal members of Parliament from the political elite on the basis that they do not have important decision making powers as a result of short lived careers and strict party discipline also greatly simplifies the structure of power in a political party, albeit one in power. Examining data on MPs would have been an excellent way for Porter to deepen and extend his analysis to take account of such issues as representativeness.

Turning to Clement, he is concerned mainly with the corporate elite. His definition of the political elite is in a sense a by-product of his main analysis When examining kinship links between the corporate and political worlds, he uses Porter's definition and proceeds to add the following: members of the Senate, members of the bureaucratic elite, members of the House of Commons, members of the Provincial Legislature, members of government boards, Lieutenant-Governors, members of Royal Commissions, members of the boards of Crown corporations, members of the bureau-

cratic war service. As one can see, Clement's definition is much wider than Porter's and perhaps errs on the opposite side being too inclusive.

My definition of the political elite will not be as narrow as Porter's or as broad as Clement's, which perhaps represents a nice compromise, although I have found it useful to use Clement to analyze the links between political and economic elites. Therefore, my political elite will consist of: members of the Legislature (12th December 1975), federal Members of Parliament representing British Columbia. provincial Chief Justices (Appeal Court only), provincial deputy ministers, the Lieutenant-Governor of B.C.

This yielded a total of 105 individuals. It could be argued that the political elite thus selected is too formal (all its members are chosen for their positions). Informal power, it could be said, is far more important. It becomes exceedingly difficult however to choose an elite if one abandons position as a selection basis. The only proven substitute is that of "reputation," but such a method is a highly subjective and inefficient way of delimiting an elite requiring much personal interviewing. Furthermore, one must not underestimate the power of institutional position--such institutions as the Senate, Parliament, a provincial legislature, cabinet, judiciary and the higher echelons of the bureaucracy are a necessary base of power, of wealth and prestige and at the same time the chief means of exercising

power, acquiring wealth and ensuring prestige. Not all power is anchored in or exercised by means of such institutions but only within and through them can power be continuously and legitimately exercised. We are dealing here primarily with the ability to exercise power--with individuals who are in a *position* to exercise power and not with its actual exercise through specific decisions. It could be argued that the inclusion of all Members of the Legislative Assembly is unnecessary as they do not wield significant power, but each member of the assembly has some input into policy making, however minimal at the debating and voting stage of legislation, and each member could potentially be a cabinet member or party leader. The inclusion of the deputy ministers does allow scope for the bureaucratically powerful and the inclusion of both federal and provincial representatives affords a two-dimensional view of power, both at the federal and provincial levels. The nine Appeal Court judges and the Chief Justice of the Appeal Court were selected rather than the 23 Supreme Court Judges and the Chief Justice of the Supreme Court because the inclusion of such a large number of judicial figures would have undoubtably have biased the sample heavily towards the legal rather than the more strictly political. The names were drawn from the 1975 Law Lists.

In defining economic elite, both Porter and Clement use a three-stage methodology. They define a number of dominant

corporations, list their resident directors and eliminate all those for whom no data are available.

There are, however, important differences between Porter and Clement even within this framework. Porter's procedure is to take the years 1948 to 1950 and all establishments employing more than 500 people and call them the dominant corporations, adding the 10 largest insurance companies and the 9 chartered banks. He goes on to define the economic elite of Canada as the "985 Canadian residents holding directorships in these 170 dominant corporations, the banks, insurance companies."[23] He was able to obtain data on 760 out of the 985 individuals (77.1%). This could be considered as a sample of the total elite as defined or as the most powerful of the 985.

There are several criticisms that can be made of Porter's methods. Firstly, he selects too large a group and as a result too many small, insignificant firms are included. Secondly his sample is biased towards labour-intensive industries by basing dominance on numbers of people employed, thereby underestimating the power of capital-intensive industries. This is partially remedied by the somewhat arbitrary introduction of the 9 chartered banks and 10 largest insurance companies, but this is still a difficulty with Porter.

Clement's definition differs from Porter's in several respects. He recognizes the bias in Porter's sample and is aware of the danger of importing another bias (for example, a hierarchy based on assets not numbers of employees would tilt the sample towards such concerns as finance companies because of the extensive capital they command). Clement solves this problem by using a composite rank which combines assets and revenue to select 113 dominant corporations (assets of over $250 million and income of over $50 million) After this changed definition of dominance, Clement proceeds in the same fashion as Porter.

In defining economic elite, Clement's method is to be preferred, being superior to Porter's, but unfortunately statistics of the type required to follow Clement's methodology are unavailable in provincial breakdowns. The only breakdown available is in the *British Columbia Manufacturers Directory* (1975). The directory lists major corporations in the province in terms of numbers employed on a scale of 1 to 8, 8 representing a corporation employing over 1,000 people. We will therefore define dominance in the same manner as Porter in *The Vertical Mosaic*, using the cut-off point of 500 employees (scales 7 and 8). This yields 18 corporations on scale 8, 11 on scale 7, a total of 29 corporations. Of the 29, 18 were listed in the *Financial Post Directory of Directors* which has listings of the directors of

the most important corporations in Canada. In addition, in order to offset the dominance of labour-intensive industries, the provincially resident directors of the 10 chartered banks and 10 largest insurance companies were added to the sample. Data were collected only on those directors resident in British Columbia; this yielded a total of 93 individuals.

These 93 individuals compose the economic elite. Both managers and owners are represented in the economic elite as invariably the directory used would list, as members of the board, the chief executive officers and higher managerial employees who would have various corporate specializations. A subgroup of 46 within the economic elite was distinguished and it will be referred to as the socioeconomic elite. The members of this latter elite differ from their colleagues in that they are listed in the major social registers: *Who's Who in Canada*, *The Canadian Who's Who*, and *Who's Who in British Columbia*.[24] As a result, data of a biographical nature can be obtained. It is this subgroup of 46, the socioeconomic elite, that we shall compare substantially to the political elite. The socioeconomic elite may not fairly represent the economic elite as a whole in terms of social background and current situation as members of the elite mentioned in social journals may be longer established or more prestigious members of the community. It is therefore possible that

there could be some inflation of some figures as a result. The task undertaken therefore was to research the lives of nearly 200 individuals and thereby come to some conclusions about the structure of power in British Columbia. Although biographical directories are indispensable in this regard, they also proved exasperating to use. Many of their volumes were severely selective in their coverage. As Matthews points out in his study on the social backtrounds of political elites:[25]

> The data included in these sketches is controlled by their subjects. This means that the researcher obtains only those facts that the subject wishes to make public.

The only way to avoid distortion is to consult as may biographical sources as possible for each individual. Hence business periodicals of all varieties were consulted as were newspaper articles and company biographies. This resulted in substantial and uniform data being obtained.

Who's Who lists the following information: name, occupation, date and place of birth, full name of both parents, education and degrees obtained, marital status, including name of spouse, date of marriage and the full names of any children, occupational career, military experience, directorships and trusteeships, memberships of honorary societies,

associations and fraternal organizations, religious and political affiliations, club memberships, publications and finally home and business addresses.

Thus *Who's Who* contains accurate information about a class of persons which social scientists would be unable to secure on their own. People in this category as a rule do not have either the time or the inclination to supply such data solely for the purposes of social or political analysis.

1.5 Theoretical Structure

The collection and interpretation of facts must however be guided by theory. If one reads any preface to a book on power structure research, one invariably finds the first chapter devoted to a short review of the literature, a summary of past theoretical battles fought over the question of who holds power. Such a review is an essential corollary to any research on power structures, providing as it does clues to the author's own theoretical viewpoint and perspective in interpreting the mass of descriptive data collected.

The author usually begins with the work of Pareto and Mosca,[26] proceeds by way of Weber and Burnham,[27] doubles back to Marxism and forward again to 50's America to the pluralists and ending with the populist critique of pluralism and the work of Floyd Hunter, C. Wright-Mills and Peter Bachrach.[28] Depending on whether the book is European or American in origin, emphasis will be placed either on the

conflict between class (power based on ownership of capital and property) and elite theory (power based on a variety of qualities). These four approaches to power: class, elite, power elite, and pluralist, dominate the literature.

My intention in summarizing the literature is to examine each perspective in turn, outlining the main features of each approach, appraising the value of each in attempting to understand the distribution of power in industrial societies, thereby coming to some conclusions about the soundness of each approach, especially in relation to a study of the power sturcture of British Columbia.

1.5.1 Class Theories

Marx never attempted a systematic study of the state.[29] It was one of the tasks which he hoped to undertake as part of a vast scheme of work which he had projected in the early 1850's but which Volume I of *Capital* was the only finished part. Yet we can discern the bare bones of his theory of power and discuss the interpretations and theories of neo-Marxists.

For the Marxist, in every society beyond the most primitive, two categories of people may be distinguished: a ruling class and one or more subject classes. The dominant position of a ruling class is to be explained by its possession of the major instruments of economic production, but its political dominance is consolidated by the hold it establishes over

ruling forces and the production of ideas. There is perpetual conflict between the ruling class and the subject class or classes and the nature and course of such conflict is influenced primarily by the development of productive forces. The main fault of a Marxist theory of power is that there is a failure to specify, in a systematic fashion, the modes whereby the economic hegemony of the capitalist class becomes translated into the political dominance of a ruling class. It is the problem of the mediation of political power, the specific form of the dependency of the political on economic. How is the dominance of the ruling class expressed concretely?

There have been three answers to this problem in neo-Marxist thought: The first, the Hegelian-Marxist has emphasized consciousness and ideology as methods of control (the work of Marcuse).[30] The second, the structuralist, has systematically elaborated how state policy is determined by the structural constraints of capitalism (the work of Poulantzas)[31] and the third, instrumentalism, has focused primarily on studying the nature of the class that rules and the mechanisms which tie the class to the state (the work of Miliband).[32]

1.5.2 Elite Theories

Pareto and Mosca, the two most well known elitist theoreticians, were concerned to refute Marx's theory of

social classes. They held that the idea of a ruling class was erroneous: instead they put forward the thesis of the continual circulation of elites, a circulation which prevents the formation of a stable and closed ruling class, and they substituted the notion of an elite which rules because of the superior qualities of its members.

For elitists in every society, there is and must be a minority which rules over the rest of society. This minority --the political class or governing elite--is composed of those who occupy the positions of political control. This elite undergoes changes in membership over time from the lower strata of society through the circulation of elites. Occasionally we encounter the complete replacement of the established elite by a counter elite. This, naturally enough, is a revolution.

There are differences among the two main elitist writers. Pareto makes use of psychological factors in explaining the circulation of elites. Mosca makes use of psychological and sociological explanations, accounting in part for the circulation by the emergence of social forces which represent new interests in society. This brings him dangerously close to Marxism. The second main difference between the two writers is that Pareto sees every system, even the democratic, in simplistic rulers/ruled form. Mosca, on the other hand, is much more aware of the heterogeneity of the political class in itself and the links between rulers and ruled.

There are many criticisms which could be made of the elitist school. The concept of a governing elite avoids the difficulty of showing that a particular class, defined in terms of its economic position, does in fact dominate society, but it does so at the cost of abandoning any attempt to explain the phenomenon to which it refers. Why does a particular elite hold power? How did the members of such an elite come to occupy positions of power? Furthermore, elitists merely assume that the governing elite is a cohesive group, saying little about the bases of power which an elite possesses except in so far as they incorporate elements from the Marxist theory of classes but ruling class theory demonstrates cohesiveness. Firstly, its members have definite economic interests, and secondly, its awareness and solidarity is increased because it is continually in conflict with other classes.

1.5.3 Power Elite Theories

A later development of elitist theory was the work of C. Wright Mills in his study of the United States' system of power--*The Power Elite.*[33]

For power elitists, power is concentrated in the triumvirate--the military industrial complex. Mills distinguishes three major elites in the United States; the corporation heads, the political leaders and the military chiefs.

He has to explain why these three separate groups together form a single power elite. What is the basis of their unity? Mills has no convincing explanation of the solidarity of the power elite, he rejects the theory of a ruling class; indeed he never seriously discusses the concept, despite emphasizing the social homogeneity of the power elite. Having done so, he eliminates one possible explanation for cohesiveness. Both elitists and power elitists borrow much from Marxist theories of ruling the class in order to explain the dominance of one group or another. The pluralist view of political power on the other hand is fundamentally opposed to the Marxist.

1.5.4 Pluralism

Pluralists form the dominant school of power structure research in North America. Individuals such as Dahl, Polsby, Bell and Parsons form the core of the scholarly group.[34] They can trace their lineage back to Bentley's *The Process of Government*[35] and his insistence on the group as the primary social and political unit. In the 50's Bentley was revived and flourished in post-war America. The approach still enjoys widespread support today. The revival began not in empirical power sturcture research *per se* but with an interest in democratic theory and political stability in the post-McCarthyite era with such books as Dahl's *Preface to Democratic Theory* (1956) and Kornhauser's *Politics of a Mass*

Society (1959). *Who Governs?* (1961) was the first milestone in empirical research of pluralist formations, using a decision making issue-centred approach to study the distribution of power in New Haven. *Who Governs?* was accompanied by a plethora of minor studies on local elites employing basically the same methodology and reaching similar conclusions as the distribution of power in American societies.[36]

As a political philosophy, pluralism blends in admirably with the dominant ethos in North America, that of individual effort and free competition. Simply stated, pluralists see the activity of politics in terms of a marketplace where organized groups trade influence and power within the limits of a broad consensus. The stall-holders are pressure groups which vie for influence in the decision making process. Power is therefore diffused, fragmented and competitive. It is an elegant system designed for the stabilizing and balancing of conflicting interests and it is optimistic in its claims. For pluralists suggest:

> There are a number of loci for arriving at political decision, that businessmen, trade unionists, politicians, consumers, farmers, voters and many other aggregates all have an impact on policy outcomes, that none of these aggregates is homogeneous for all purposes, that each of them is highly influential over some scopes and weak over many others.[37]

Thus it is believed that any active and legitimate group can usually make itself heard at some crucial stage in the decision making process.

There have been many criticisms of pluralist formulations, the most trenchant stemming from the "populist" school of American political theory, a school populated by such figures as Bachrach, Baratz and Kariel. These writers castigate pluralists for their specifically small town focus and neglect of the national political arena and their narrow political definition, which excludes non-political spheres in which important decisions are made (the factory, the university). Pluralists also overlook or reject the fundamental idea of sociology, that all sections of society mutually affect one another and produce factors which influence political decisions. They ignore great inequalities of wealth and income which a Marxist sees as crucial in the workings of the political system. Furthermore, "the model takes no account of the fact that power may be and often is exercised by confining the scope of decision-making to relatively safe issues."[38]

Many latent concerns are not identified by the prevailing system of issue formation, as the status quo biases the existing system within recognized channels. This phenomenon has been neatly summarized in the phrase, "the mobilization of bias." As Schattschneider points out:

> All forms of political organization have a bias in favour of the exploitation of some kinds of conflict and the oppression of others because organization is the mobilization of bias. Some issues are organized into politics while others are organized out.[39]

So an issue-centred approach is fraught with problems.

Finally, pluralists are unable to distinguish between important and unimportant issues. For example, in Dahl's New Haven study, three issue areas are selected for study: nominations by the two political parties, urban redevelopment, and public education. The economic notables of the city had no interest at stake in two out of the three issue areas; they were disqualified from holding political office because of their suburban residence, and invariably sent their children to private schools beyond the city boundaries. So their interest in public education and party political nominations was not a direct one; these two issues were not crucial, that is they did not involve the immediate self-interest of the economic notables and therefore are inappropriate means by which to measure their power.[40]

Taken together, the criticisms of pluralism attack the erroneous assumption that power is reflected solely in concrete decisions and what on the surface appears to be a very sophisticated methodological approach turns out on closer examination to be narrow and misleading. A deficiency in the logic of behavioural methodology could be seen as standing behind the existing inadequacies of pluralist theory, an abstracted empiricism, the accumulation and usage of relevant data without proper regard to the total socio-economic context in which it alone has meaning.

Thus these are the four approaches to the study of power: class, elite, power elite, and pluralist. What

affinities do each of the approaches have and what fundamental differences?

There are many affinities between Marxists and power elite approaches to power structures. Indeed Mills has been accused of being a Marxist in disguise[41] and certainly the work of individuals such as Domhoff in *The Insurgent Sociologist*[42] can be characterized as having definite Marxist leanings. These fellow-travellers share with Marxists a critical view of North American society and a recognition of the tremendous inequalities of wealth and power, and see the consequences of such inequality in the workings of the political system.

Where the two approaches differ most significantly is in their overall analysis of society and economics. Power elitists are unwilling to embrace a fully fledged class analysis of society or adhere to the determinancy of the economic. Bottomore has neatly summarized the contrasts between class and elite theories:

> While on the one level they may be totally opposed as elements in wide-ranging theories which interpret political life, and especially the future possibilities of political organization, in a very different way, on another level they may be seen as complementary concepts which refer to different types of political systems or to different aspects of the same political system.[43]

Leaving aside areas of agreement and affinity, it is my intention in this thesis to explore the extremes, pluralism and Marxism, look at five areas where pluralists and Marxists directly clash, and examine these areas in the light of descriptive data pertaining to British Columbia.

The province can therefore be seen as a case study which will help illuminate some of the theoretical battles which have been raging in post-war political science over who holds power. These conflicts will be expressed as a series of theoretical statements and counter-statements and the succeeding chapters will assess the value of each statement in turn and thereby come to some conclusions as to the validity of each approach, using the ruling class and pluralist models as ideal types.

In justifying the selection of pluralist and Marxist models as the ideal types to be examined, it must be borne in mind that these two viewpoints dominate any debate over who holds power in our society. As Miliband writes:

> This view [pluralism] has received its most extensive elaboration in and in regard to the United States. But it has also, in one form or another, come to dominate political science and political sociology, and for that matter political life itself, in all other advanced capitalist countries.[44]

In looking for an opposing viewpoint by which to evaluate pluralist formulations we are faced with two choices: elitism and Marxism. Yet both pluralism and elitism were developed to some extent as responses to Marxism.

> Notwithstanding the elaborations of various elite theories of power, by far the most important alternative to the pluralist democratic view of power remains the Marxist one. Indeed, it could be argued that the rapid development of pluralist-democratic political sociology after 1945, particularly in the United States, was largely inspired by the need to meet the challenge of Marxism.[45]

It is Marxism which throws out the fundamental challenge to

pluralism. It is therefore obvious that the primary battle is between pluralists and Marxists and it is this battle that provides the centrepoint of this thesis. The conflicts between Marxists and elitists or elitists and pluralists are, in comparison, minor skirmishes. Nevertheless we will have an opportunity to examine all three approaches, although more emphasis will understandably be placed on the two main combatants.

Let us close this section by clarifying the differences between Marxists, elitists and pluralists; this will give us some indication of what to look for in evaluating each viewpoint.

In the Marxist society one would expect to find a ruling class and at the same time elites which represent particular aspects of the ruling class interests in control. In an elitist society one would expect to find no ruling class but a political elite which has superior control. In a pluralist society we would expect to find a multiplicity of elites among which no cohesive group of powerful individuals or families seem to be discoverable. We now require more detailed hypotheses by which to examine the extremes.

1.6 Hypotheses

These are expressed as a series of statements and counter-statements with supporting quotations from either pluralists or Marxist writers. These quotations will

confirm that in fact the statements accurately reflect the viewpoints of each school and act as illustrations of the opposing points of view.

Statement 1

There is a unified, cohesive ruling group in British Columbia.

> Elite pluralism does not . . . prevent the separate elites in capitalist society from constituting a dominant economic class possessed of a high degree of cohesion and solidarity, with common interests and common purposes which far transcend their specific differences and disagreements.[46]

Counter-Statement 1

There are conflicting and fragmented elites in British Columbia which lack cohesion and unity

> There is no clear center of dominant influence in the order. No single group of unified leaders possessed enough influence to impose a solution.[47]

Statement 2

Elite access is highly restricted.

> Notwithstanding the familiar claim that these are fluid, socially open societies, with a rapid "circulation of elites" . . . elite recruitment in these societies has a distinctly hereditary character.[48]

Counter-Statement 2

Elite access is open.

> In the first period (1784-1842) public office was almost the exclusive prerogative of the patrician families. In the second period (1842-1900) the new self-made men of business, the entrepreneurs, took over. Since then the "ex-plebes" rising out of the

> working class or lower middle-class families of immigrant origins have predominated.[49]

Statement 3

The economic elite is active in more than one issue and policy area.

> It was shown that business, particularly large scale business, did enjoy . . . advantage inside the state system. . . . We shall see that business enjoys a massive superiority outside the state system as well.[50]

Counter-Statement 3

This elite, along with others, has only specialized involvement in specific interest areas.

> The Social and Economic Notables of today . . . are scarcely a ruling elite, such as the patricians [an earlier elite] were. They are, however, frequently influential on specific decisions, particularly when these directly involve business prosperity.[51]

Statement 4

The state is the organ of one group--the economic elite.

> The executive of the modern state is but a committee for managing the common affairs of the bourgeoisie.[52]

Counter-Statement 4

The state is an independent arbiter acting as an intermediate power.

> In situation after situation legislators and administrators are confronted by groups pushing in opposite directions, a state of affairs which permits governments to balance one off against the other and to arrive more easily at a solution thought to represent the general interest.[53]

Statement 5

Representatives of indigenous Canadian capital in British Columbia hold dominant sway over the political elite, possessing superior economic, cultural, residential and social resources.

> The most important political fact about advanced capitalist societies, it has been argued . . . is the continued existence in them of private and ever more concentrated economic power. As a result of that power, the men, the owners and controllers--in whose hands it lies, enjoy a massive preponderance in society, in the political system and in the determination of the state's policies and actions.[54]

Counter-Statement 5

Such a group has a substantial measure of power and influence as a powerful pressure group but does not dominate the political elite.

> The Economic Notables far from being a ruling group, are simply one of the many groups out of which individuals periodically emerge to influence the policies and acts of city officials. Almost everything we might say about the influence of the Economic Notables could be said with equal justice about half a dozen other groups.[55]

Chapter II, entitled "Cohesion or Fragmentation?" will deal with Statements 1 and 2; Chapter III, entitled "Co-Option," with Statements 3 and 4; and Chapter IV, entitled "Control," will deal with Statement 5. These three detailed chapters of analysis will be followed by a single chapter of comparison, questioning some of the conventional wisdoms

about British Columbia through an examination of the work in Canada of Clement and Newman.

Footnotes

[1]John Addie, Allan Czepil and Fred Rumsey, "The Power Elite of B.C.," in *Essays in B.C. Political Economy*, edited by Paul Knox and Phillip Resnick (Vancouver: New Star Books, 1974).

[2]Libbie and Frank Park, *Anatomy of Big Business* (Toronto: Progress Books, 1962).

[3]Mark Starowicz and Rae Murphy, *Corporate Canada 14 Probes into the Workings of a Branch Plant Economy, A Last Post Special* (Toronto: James Lewis and Samuel, 1972).

[4]Merrill Denison, *The Barley and the Steam* (Toronto: McClelland and Stewart, 1955). Others include: Robert Chodos, *The CPR A Century of Corporate Welfare* (Toronto: James Lewis and Samuel, 1973); Charles Bruce, *News and the Southams* (Toronto: Macmillan, 1968).

[5]John Porter, *The Vertical Mosaic An Analysis of Social Class and Power in Canada* (Toronto: University of Toronto Press, 1965).

[6]Wallace Clement, *The Canadian Corporate Elite An Analysis of Economic Power* (Toronto: McClelland and Stewart, 1975).

[7]Peter C. Newman, *The Canadian Establishment*, Vol. I (Toronto: McClelland and Stewart, 1975).

[8]See any standard text on Canadian politics, for example, R. Dawson, *The Government of Canada.*

[9]See the work of John Meisel, *Working Papers on Canadian Politics* (Montreal: McGill/Queen's University Press, 1972).

[10]Dependency studies such as: Kari Levitt, *Silent Surrender The Multi-National Corporation in Canada* (Toronto: Macmillan, 1970); Robert Laxer, *The Political Economy of Dependency* (Toronto: McClelland and Stewart, 1973).

[11]The latest in a long line appeared in a recent issue of *The Financial Post Magazine*, October 30, 1976. In an article entitled, "Why Does the Cowboy Look so Content? Maybe because he is Chairman of Woodward Stores," the life and times of C. N. Woodward, whose company, Woodward Stores, has a net income of nearly $12 million yearly is examined. The article is no improvement on the title.

[12]Edwin K. Black, "The Fractured Mosaic: John Porter Revisited," *Canadian Public Administration* (Winter 1974), pp. 641-653.

[13]Ibid., p. 642.

[14]Clement, op. cit., falls into this trap.

[15]The work of Nicos Polantzas exhibits this fault.

[16]See the criticisms of Donald Matthews in *The Social Background of Political Decision-Makers* (New York: Random House, 1954), pp. 59-60.

[17]Leo A. Johnson, "The Development of Class in Canada in the Twentieth Century," in *Studies in Canadian Social History*, edited by Michael Horn and Ronald Sabourin (Toronto: McClelland and Stewart, 1974), p. 215.

[18]See Appendix 6.

[19]The Bank of B.C. is the smallest and newest of the chartered banks.

[20]Porter, op. cit., p. 604.

[21]Ibid., p. 605.

[22]Ibid., p. 605.

[23]Ibid., p. 580.

[24]The last edition of *British Columbia Who's Who* was published in 1967.

[25]Matthews, op. cit., p. 22.

[26]Gaetano Mosca, *The Ruling Class* (New York: McGraw-Hill, 1939).

[27]Vilfredo Pareto, *The Mind and Society*, 4 vols (London: Jonathan Cape, 1935).

[28]Floyd Hunter, *Community Power Structures* (University of North Carolina Press, 1953); C. Wright Mills, *The Power Elite* (New York: Oxford University Press, 1956); Peter Bachrach, *The Theory of Democratic Elitism A Critique* (Boston: Little Brown and Co., 1967).

[29]The nearest Marx came to an application of his theory of a ruling class was his study of Bonapartism, *The Eighteenth Brumaire*.

[30]Herbert Marcuse, *One Dimensional Man* (Boston: Beacon Press, 1964).

[31]Nicos Poulantzas, *Political Power and Social Classes* (New Left Books, Sheed and Ward, 1973).

[32]Ralph Miliband, *The State in Capitalist Society* (Weidenfeld and Nicholson, 1969).

[33]Mills, op. cit.

[34]R. A. Dahl, *Who Governs?* (Yale University Press, 1961); N. W. Polsby, *Community Power and Political Theory* (Yale University Press, 1963); Talcott Parsons, *Politics and Social Structure* (New York: Free Press, 1969).

[35]Arthur F. Bentley, *The Process of Government* (Chicago: University of Chicago Press, 1968).

[36]For example, George Belknap and Norton E. Long, "The Local Community as an Ecology of Games," *American Journal of Sociology*, no. 64 (Nov. 1958), 251-261.

[37]R. A. Dahl, *A Preface to Democratic Theory* (Yale University Press, 1956).

[38]See Peter Bachrach and Morton S. Baratz, "Two Faces of Power," *The American Political Science Review*, no. 56 (Dec. 1952).

[39]S. Schnattschneider, *The Semi-Sovereign People*

[40]Dahl, *Who Governs?*, op. cit.

[41]See, "Power Elite or Ruling Class?" in *Modern Capitalism and Other Essays*, edited by Paul M. Sweezy (New York: Monthly Review Press, 1972), pp. 92-109.

[42]G. William Domhoff, "State and Ruling Class in Corporate America," *Insurgent Sociologist*, 4, no. 3 (Spring 1974), 3-15.

[43]Tom Bottomore, *Elites and Society* (London: C. A. Watts & Co., 1964), p. 44.

[44]Milliband, op. cit., p. 3.

[45]Ibid., p. 5.

[46]Ibid., p. 47.

[47]Dahl, *Who Governs?*, op. cit., p. 198.

[48]Miliband, op. cit., p. 39.

[49]Dahl, *Who Governs?*, op. cit., p. 86.

[50]Miliband, op. cit., p. 146.

[51]Dahl, *Who Governs?*, op. cit., p. 84.

[52]Karl Marx, *The Communist Manifesto.*

[53]V. O. Key, *Politics, Parties and Pressure Groups* (New York: Crowell, 1942), p. 166.

[54]Dahl, *Who Governs?*, op. cit., p. 72.

[55]Miliband, op. cit., p. 265.

CHAPTER II

COHESION

Cohesion or Fragmentation?

Power tends to connect: absolute power connects absolutely.

Peter C. Newman, *The Canadian Establishment*, Volume 1.

Statement 1

There is a unified cohesive ruling group in British Columbia.

Counter-Statement 1

There are conflicting, fragmented elites in British Columbia which lack cohesion and unity

Statement 2

Elite access is highly restricted.

Counter-Statement 2

Elite access is open

2.1 Cohesion

In terms of a Marxist analysis, in British Columbia one expects to find a unified, cohesive ruling class linked economically via interlocking directorships and socially via memberships in the same clubs and professional organizations, attendance at the same schools and universities, and habitation of the same residential and office areas. In terms of a pluralist analysis one would expect to encounter conflicting, fragmented elites, each of which lacked cohesiveness and performance, elite loyalties being of a shifting, ephemeral nature. An analysis of data collected on British Columbian elites will give us an opportunity to test these two conflicting views of elite competition: fragmented or cohesive?

In assessing the evidence we shall divide our finding into two parts: economic cohesion and social cohesion. There are sectors where these interlock, primarily in the area of "Kinecon" where social or kinship connections carry over into business activities, and this overlap will be dealt with in a separate section.

A separate but related issue to cohesiveness is access: is elite access in the province highly restricted or it is open? One way of ensuring cohesion is to restrict entry to elite positions, one way to promote fragmentation is to open

elite positions. Thus these two statements are closely interrelated. In attempting to determine how economically cohesive and how closed the economic elite are, we shall examine data on interlocking directorships and the interlacing of economic and kinship networks. As indices of social cohesion we shall examine the educational backgrounds of elite members and their current memberships of the most prestigious clubs and residence in the most exclusive neighbourhoods. If we find that elite members share many common social characteristics, then we can conclude that they form a socially cohesive and closed group. If we find that many elite members are on the boards of the same corporations, then we will be a long way towards demonstrating their economic cohesion.

2.2 Economic Cohesion

In attempting to assess the economic cohesion of the members of the economic elite, the most reliable and most often used index is that of interlocking directorships. As Clement points out:

> Interlocking directorships are of interest because they are concrete expressions of social and economic networks, indicating common commitments and shared relationships.[1]

Or, as Porter writes:

> In the Western type of industrial society the concept of an economic elite derives its validity from the concentration of economic power within a relatively

> few corporations which become linked to one another and to the principal financial institutions through interlocking directorships.[2]

Unfortunately, neither Porter nor Clement attempt a full-scale, systematic study of interlocking directorships, their data are of a sporadic, individualized nature, concentrating only on particular, highlighted interlocks. Both writers also focus their attention not on individuals *per se* but on corporations and conglomerates. These deficiencies were to some extent remedied in this study. An attempt was made to systematize interlocks in terms of their density and to centre on individuals rather than solely on corporations.

In collecting data about B.C. resident directors, lists were compiled of all the major directorships of every member of the economic elite in the province. A computer analysis of the data using a statistical routine which calculated the exact density of interlocks was obtained and then ranked from the most concentration to the least concentration. This means that an overall view of the pattern of interlocks in the province was obtained. These data were invaluable in assessing not only corporate cohesion (the work of Porter and Clement) but also the economic cohesion of individual directors.

The index of the density of interlock for every possible pair of corporations is calculated by dividing the

potential number of interlocks by the actual number of interlocks. By way of illustration, if the index was 1.0, then all positions in one "pair" corporation would be filled by persons who simultaneously hold positions in another "pair" corporation. If 0.50, then one-half the potential number of interlocks do in fact occur. Using this methodological tool, we can arrive at a very accurate index of interlock density.

A list of all of the interlocking directorships would be exceedingly long. There are alone, for example, 214 out of 2,701 interlocks of a density of >0.3000. It is also difficult to gauge how important findings are on interlocking directorships in British Columbia as there is no other comparative standard of significance by which to assess the data collected. We can however give some indication of the type and density of interlock found in the economic sample and thereby give some indication of the degree of economic cohesion among elite members.

From our list of dominant corporations in British Columbia, if we select all those employing over 1,000 people and examine only those interlocks of >0.30000, a varied and interesting picture emerges. We find that the greatest interlock occurs within family controlled firms, in the forestry sector, and in certain obviously connected sectors such as pulp and paper and newsprint firms.

In family controlled firms such as Dominion Construction, fifth on our list of dominant corporations in the province, there are several instances of complete interlocks:

Instances of Complete Interlocks (1.0)

Dominion Construction/New Building Finance (1.000)

Dominion Construction/Western Truck & Equipment (1.000)

Dominion Construction/Bentall Construction (1.000)

The implications of the intertwining of kinship and economic systems is examined more fully in the next section. It has been noted elsewhere that family firms tend to have low amounts of outside public participation and reserve directorship positions for family members. There is perhaps nothing remarkable about this but it does constitute a significant area of interlock.

Looking at directorships in the forestry sector, as we would expect, there is a high density of interlocks between the larger forestry corporations and smaller subsidiaries. Not counting the complete interlocks, there are 16 interlocks of a density of >0.50 within the forestry sectory. The numbers in parentheses indicate the number of directors involved in each interlock: These are:

Prince George Pulp and Paper/ North Canadian Forest Products	0.6544	(3)
CFA/Prince George Pulp and Paper	0.5503	(4)
Rayonnier/Western Forest Industries	0.7659	(3)
Canfor/Takla	0.7659	(3)
North Canadian Forest Products/ InterContinental Pulp and Paper	0.8894	(4)
North Canadian Forest Products/Takla	0.7659	(4)
Prince George Pulp and Paper/Takla	0.5612	(2)
InterContinental Pulp and Paper/ West Coast Cellulose	0.5612	(2)
CFA/Canfor	0.6193	(5)
CFA/InterContinental Pulp and Paper	0.5508	(4)
CFA/North Canadian Forest Products	0.6193	(2)
Takla/West Coast Cellulose	0.6556	(2)
InterContinental Pulp and Paper/Takla	0.8612	(3)
Prince George Pulp and Paper/Canfor	0.6544	(3)
Canfor/InterContinental Pulp and Paper	0.8894	(2)
North Canadian Forest Products/Cornat	0.7659	(3)

As Clement writes: "In the resource sector, the pulp and paper companies, those of which are Canadian controlled, have the strongest interlocks."[3]

Turning to obviously connected sectors where one would expect to find perhaps a high degree of interlocks, an interesting area to examine is the interlock between the large

forestry corporations and their immediate consumers of newsprint: the major newspaper and printing firms, Pacific Press and Southam Press. The following is an example of such an interlock involving MacMillan Bloedel, number 8 on our list of dominant corporations. Again the numbers in parentheses indicate the number of directors involved.

MacMillan Bloedel/Pacific Press	0.4048 (2)
MacMillan Bloedel/Southam Press	0.3200 (2)

Not to mention

Pacific Press/Southam Press	0.3925 (1)

Finally, another very important area of interlock is the banking and finance sector. This concerns both our list of dominant corporations and the major banks and insurance companies. It is these sectors which provide the necessary capital for development and expansion and it is these institutions which act as the gate keepers for the economic elite. As Clement writes:

> A strong explanation of why capital is difficult to secure for new ventures not undertaken by members of the elite is that banking circles are so much a part of the established dominant corporate world, making it almost impossible for outsiders to "break in." The economic elite has both the contacts and legitimacy required for access to capital. . . . For this reason it is argued that the banks with their existing contacts in the economic elite provide the focal point for elite continuity and operate as a major exclusion mechanism.[4]

and:

> Bankers and outside directors operate in a coresponsive relationship . . . one group has capital to invest and the other desires the capital to expand.[5]

There are therefore extensive connections between the financial and industrial worlds. Some of the more significant interlocks are recorded below:

Bank of Montreal/B.C. Sugar	0.4961 (2)
Bank of Montreal/Canadian Cèment Lafarge	0.4961 (2)
Canadian Imperial Bank of Commerce/ Placer Development	0.4194 (2)
Bank of Montreal/Weldwood Canada	0.3659 (2)
Royal General Insurance/Crown Zellerbach	0.3130 (2)
Bank of Nova Scotia/B.C. Tel	0.5612 (2)
Bank of Nova Scotia/Okanagan Telephone	0.5612 (2)

Thus the major banks in B.C. are extensively interlocked with not only the forestry corporations but also the utilities sector and the mining and extractive industries.

There are dominant corporations in our sample who have no significant interlocks. Corporations such as G.T.E. Lenkurt Electric and Crestbrook Forest Industries fall into this category. The former is a research and development division of a large conglomerate newly open in B.C. and its directors perhaps lack established connections with other corporate boards. Crestbrook Forest Industries is heavily dominated by Japanese directors who also may not yet have established links with other corporate directors. Ken Takaya, Toshio Ebimoto and Ichiro Ogawa are members of our economic elite by virtue of their single directorship of Crestbrook Forest Industries; they possess no other directorships with the exception of Ichiro Ogawa's position on the

board of the giant Japanese Mitsubishi Corporation. The areas of least interlock therefore usually involve new additions to the corporate sphere from outside the province.

There is one final obvious category where interlock is conspicuously missing, that is among corporations which have very few B.C. resident directors. This is the case for Canadian Industries (1 B.C. resident out of 12 directors), Ocean Cement (1 B.C. resident out of 5 directors).

We have some indication of the areas of greatest economic cohesion and the areas of least cohesion. There is a solid core of densely packed interlocks in sectors such as forestry, and significant interlocks between financial and industrial worlds. The areas of least cohesion seem to involve new additions to an already established elite and it would perhaps be interesting to chart the integration of such figures as Ichiro into the more established B.C. elite over a period of time.

An elite group however is something more than a statistical class, so it is necessary to provide evidence that the economic elite exhibits a degree of social homogeneity as well. The phenomenon of "kinecon" will provide the link between economic and social cohesion. Kinecon is used as a shorthand term for the overlap of kinship and economic networks and involves both wealth and position inherited by a single member of the family and wealth and positions which are dispersed among several members of the family.

2.3 Kinecon

Kinship links are a largely neglected factor when attention is paid to the network system between and among different elites. Porter appears however to give it prominence:

> . . . of the informal modes of relationships between elites the most important is kinship.[6]

Porter however appears pessimistic about the prospects for measuring kinship links, yet anthropologists have well established methods for measuring kinship links. For example, the exchange of gifts, visits, trading or bartering, sanctions, proximity of residence, job, inheritance and marriage, are all indicators of the intensity and strength of kinship links.[7] Unfortunately, in political science we lack the sophistication of an anthropological approach to kinship but nevertheless we can draw up rough measurements of the strength of kinship ties. The rewards of such an effort are great· the drawing of kinship links tells us a great deal about elite mobility, the degree to which the top positions are preserved, the degree of elite cohesion, the nature of the entrepreneurial class and the degree to which family power still prevails. It is quite clear from an examination of Porter, Clement and Newman that many Canadian firms have been and remain dominated by particular families. For example, Clement:

> The Canadian economy remains controlled in large part by a set of families who have been in the past and still remain at the core of the Canadian economy.[8]

This is quite contrary to the ideology of the managerialists, who argued power has passed to the technocracy. By providing historical continuity to the elite and a strong current network, kinship ties the economic elite together. It shows that a high degree of internal recruitment is an important structural pattern and that the intergenerational transfer of private property provides guaranteed and early access to economic positions. Daniel Bell remarks in his (premature) essay on the break-up of family capitalism:

> The social organization of the family rested on two institutions: Property and the "dynastic" marriage. Property sanctioned by law and reinforced by the coercive power of the state, meant power; the "dynastic" marriage was a means of conserving, and, through inheritance laws, of transmitting property, and so preserving . . . the continuity of family enterprises.[9]

The persistence of even a few family firms in an era of so-called declining family capitalism is significant. The continued existence of such avenues of access to the socio-economic elite in a province such as British Columbia which has acquired a nouveau riche image is interesting.

A brief survey of members of the socio-economic elite reveals at least 6 cases of inherited wealth, the majority (4) being father to son. Those include C. N. Woodward of Woodward Stores, Graham Dawson of Dawson Construction, Edgar Kaiser, third generation head of the giant Kaiser Resources and Victor Brown of Odlum, Brown and Read, investment dealers in Vancouver.

There are remarkable cases of dispersed family wealth and position in British Columbia. The two cases we shall examine concern the Bentleys and the Bentalls.

2.3.1 The Bentleys

Four Bentleys are members of the 46 strong socio-economic elite: L.L.G. Bentley, his son Peter Bentley, Peter's brother-in-law John G. Prentice, and Prentice's son-in-law Ron Langstaffe.

L.L.G. Bentley dominates the Canadian Forest Products/ Cornat complex which is one of B.C.'s largest privately owned operations, being number 82 on *Canadian Business'* top 200 in 1976, with assets of $368,791,000 and over 5,000 employees. As well as L.L.G. Bentley, the board includes Peter Bentley, John Prentice, and Ron Longstaffe. In addition to controlling Canadian Forest Products, the family also has part control in the following forestry companies·

Prince George Pulp and Paper (Peter, Longstaffe)

North Canadian Forest Products (Peter, Longstaffe, Prentice)

InterContinental Pulp and Paper (Peter, Longstaffe, Prentice)

Canfor (Peter, Longstaffe, Prentice)

Takla Forest Products (Peter, Longstaffe)

Takla Logging Company (Peter, Longstaffe)

and the following non-forestry connections:

West Coast Woolen Mills (L.L.G. Bentley, Prentice)

Coronation Credit Company (Peter, Longstaffe).

Among the more important interlocks outside the family are Prentice's directorship of the Bank of Montreal, Peter's place on the boards of the Yorkshire Trust Company and Shell Canada.

In total, the 4 members of the Bentley family control 41 major directorships: an impressive interlock reinforced not only by economic interests but family ties.

2.3.2 The Bentalls

The second of our Kinecon examples is the Bentalls. The Bentalls contribute two members to the socio-economic elite: H. Clark Bentall and Robert G. Bentall, who are brothers.

These two men control 23 directorships. They share directorships in the following corporations:

Dominion Construction

Western Truck and Equipment

New Building Finance

B.C. Millwork Products

Bentall Properties Ltd.

H. Clark Bentall also has directorships in the giant Cominco and in one of the largest banks in Canada, the Toronto Dominion Bank. Their father, Charles Bentall, was chairman of Scott Paper and also began the family's interest in construction industry, Dominion Construction. Many large, modern office buildings bear the Bentall name in the cities

of western Canada. Again an impressive kinship and economic network is evident.

2.4 Social Cohesion

Turning away from specific individuals, we shall attempt to deal with the social cohesiveness of the socio-economic and political elites as a whole by first examining the origins of the socio-economic elite and secondly their current exclusive social existence. In the first section we will concentrate on inherited wealth and position (aside from the phenomenon of kinecon and private schools) in the second on the elites' memberships of prestigious clubs and the location of their residences and offices.

An essential tenet of pluralism is that membership is open. This enhances the claims they wish to make in regard to the fragmented and ephemeral nature of elites who, it is said, have an ever-changing, ever-shifting membership. This is countered by Marxist claims for a closed, static elite with little infiltration or renewal from below. If, by examining the data in British Columbia, we can point to many instances of inherited wealth and to considerable numbers of ex-private school boys we are a long way towards demonstrating the exclusiveness of the socio-economic elite in British Columbia and stemming from this their cohesiveness; similarly with the political elite, leaving aside specifically economic indicators, we can assess their social cohesiveness.

Examining the career patterns of the socio-economic sample as a whole, as can be seen from Table I, nearly one-third entered the elite through family ties, only 3 could be regarded as "self-made men," that is men who began their own businesses and made their way to the top in independent fashion. The persistence of family ties as a method of advancement says much for the closed nature of the socio-economic elite: entrance by birth is still a major pathway to the top, even in the frontier province of British Columbia.

TABLE I CAREER PATTERNS OF THE SOCIO-ECONOMIC ELITE

Family	14	30.4%
Routine	19	43.5%
Non-routine	9	19.6%
N/A	4	6.5%
TOTAL	46	100%

As Poulantzas has pointed out:

> It is true that in the capitalist mode of production and capitalist economic formation social classes are not castes, that agents are not tied by their origin to determinate places . . . but it is also true that the effects of this distribution show themselves in the fact that . . . the vast majority bourgeoisie (and their children after them) remain bourgeois and the vast majority of the proletarians (and their children after them) remain proletarians.[10]

Again we are faced with the persistence of the family in an era of so-called corporate capitalism. This leads us to doubt pluralists' statements such as one made by Bell in *The End of Ideology*.

> Today there is an upper class and a ruling group. Upper classes still have differential privileges which they pass along but they do not rule. The technical intellectual elites (including the corporate managers) and the political directorate do that. And one basic reason why . . . the upper class do not rule is that the death of family capitalism and the rise of managerial capitalism has robbed them of a community of interest and a continuity of interest.[11]

Yet the persistence of family capitalism is marked not only in Canada but in the United States. Seven years after Bell wrote *The End of Ideology*, Robert Sheehan of *Fortune Magazine* wrote an article entitled "Proprietors in the World of Big Business." In his article Sheehan concluded:

> After more than two generations during which ownership has increasingly been divorced from control, it is assumed that all large U.S. corporations are owned by everybody and nobody and we are ruled by bland organizational men. The individual entrepreneur or family that holds out the controlling interest and actively manages the affairs of a big company is regarded as a rare exception, as something of an anachronism. A close look at the 500 largest corporations does not substantiate such sweeping generalizations.[12]

Sheehan found that of the current 500 Fortune List, a controlling ownership rested in the hands of an individual or a single family in 30% of the cases. This as Sheehan suggests:

> . . . is something to ponder. It suggests that the demise of the traditional American proprietor has been slightly exaggerated and that the much advertised triumph of the organization is far from total.[13]

This definitely also seems the case in the company province and this provides strong support for a Marxist viewpoint. There are however other means of gaining access to the socio-economic elite. For the purposes of classifi-

cation, "routine" describes a career pattern which involved an ordered and steady rise up the corporate ladder, "non-routine" either a meteoric rise to the top or a career marked by an unusual amount of overseas experience; self-made men are also classed as having non-routine career patterns. The 20 members of our sample who have been classified as having routine career patterns have made themselves invaluable to large corporations in one respect or another. They may have particular connections or corporate specializations, they may have special skills--engineering, forestry, the law. The position of the corporate managers and the threat they pose or do not pose to the more established, long-standing members of the economic elite is more fully developed in Chapter IV.

Another aspect of social cohesion is reflected in attendance at private schools. They are the training grounds for many of the socio-economic elite, but not, as we shall see, of the political elite. As Clement remarks:

> Although they may be examined as educational institutions, private schools are most appropriately understood as institutions to create upper class associations and maintain class values both by exclusion and socialization.[14]

British Columbia has many prestigious private schools; St. George's in Vancouver, Shawnigan Lake on Vancouver Island, St. Michael's in Victoria, to name the institutions most frequented by socio-economic and political elites.

Over half the socio-economic elite (52.1%) attended private schools, only 19.6% were graduates of public or state schools, in 28.5% of the cases no data on schooling were available. Interestingly, 14 (or over 30%) of the sample were pupils at the *same* exclusive school: St. George's in Vancouver. As we shall see when we examine the public office holding of elite members, old boys continue to be linked to private educational institutions after graduation, very often sitting on the boards of governors of their old schools, which are also invariably their children's schools.

In stark contrast, very few members of the political elite attended private schools--only 8.4% of the political sample did so--whereas 65.1% of the sample graduated from public schools

TABLE II SOCIO-ECONOMIC ELITE, EDUCATION

Public	9	19.6%	
Private St. George's	14	30.4%	52.1%
Private others	10	21.7%	
N/A	13	28.3%	
	46	100.0%	

TABLE III. POLITICAL ELITE, EDUCATION

Public	69	65.1%	
Private St George's	2	1.9%	8.4%
Private others	7	6.5%	
N/A	28	26.4%	
	106	100%	

It is quite obvious that the same pattern of closed recruitment does not apply to the political elite as it does to the economic elite, and this is undoubtably partial affirmation of the pluralist view of open as opposed to closed recruitment for the political elite, but the high frequency of private school backgrounds among members of the socio-economic elite indicates two things quite clearly, that many members of the socio-economic elite came from wealthy families and secondly that B.C. socio-economic elite ranks are closed and highly restricted, retaining their distinctive social hallmarks, thus giving strong support to Marxist views. As Porter writes:

> The private school is a further area of social interaction which makes for homogeneity of the elite. The associations which started early in life are continued through University and into business and club life.[15]

This brings us conveniently to the third area of social cohesion we wish to examine: the private clubs.

Examining the case for social cohesion in terms of club memberships we notice that the same names reappear in individual biographies: The Vancouver Club, the Shaughnessy, the Capilano, the Union, the Royal Vancouver Yacht Club. Forty of the socio-economic elite belong to clubs (86%), 31 individuals (67%) belong to the Vancouver Club, and 14 (31.9%) belong to the Shaughnessy, the next two most popular are the Capilano and the Royal Vancouver Yacht Club with 9 members each (19%).

How exclusive are these clubs? Newman, Porter and Clement all seem to agree as to their importance as an arena of social interaction. Hence Porter:

> The clubs, exclusive and expensive as they are, do provide an additional locus of interaction which makes for homogeneity of social type.[16]

and Newman:

> A little-known advantage of club membership is that it plugs members into an impressive international network of similar institutions. These affiliations provide a measure of instant accreditation.[17]

And Clement draws a parallel with the private schools by saying:

> As with private schools, the private clubs are kept exclusive by regulating membership and high initial membership fees and annual dues.[18]

Yet Clement does point out that clubs such as the Vancouver Club are "more closely meshed with the local rather than national upper class, although leading members of the local upper class also tend to participate at the national level as well.:[19]

This brings us to the final area of social cohesion: residence and office location. As will become clearer in Chapter IV, there are great differences in the residence locations of political and socio-economic elites. The latter tend to congregate around the more wealthy and exclusive districts of Vancouver; the political elite tends to be more scattered, very often living in the outlying municipalities of Burnaby, Richmond, Surrey and New Westminster.

In reading the *Who's Who* entries for members of the socio-economic elite, one is struck by the recurring addresses: both J. V. Clyne and G.D.H. Hobbs live on Angus Drive, both Arthur Fouks and C. N. Woodward live on Point Grey Road, and Albert Hall and Pèter Saunders are both to be found on Southwest Marine Drive. The concentration of members of the socio-economic elite in rich "ghettoes" further enhances their cohesion and solidarity. The same can be said for office location. Office addresses are concentrated in the business sector of downtown Vancouver, a favourite location is the Bentall Centre, named after Charles Bentall, whose two sons grace our socio-economic elite.

Place of residence and office location may be considered to be a minor matter but it does add to the overall picture of the socio-economic elite's cohesion. Kadushin, in an article on "Power, Influence and Social Circles," introduces and successfully employs the concept of a social circle--a narrow, closed area of elite interaction. As he points out:

> There are many *indirect* ways of demonstrating common social circle membership. Position studies have proved most ingenious in tracking those down, though no one study has used all methods. Most of the indirect measurements are based on some functional consequence of circle membership or upon some set of circumstances that might lead to a high probability of membership in a common circle . . . common schools, clubs, resorts, coffee houses and recreational or cultural interests, even appearances in the same journals have all been used as indirect evidence of the connection between elites.[20]

And as Porter also points out:

> If all elites have similar social and educational backgrounds, if they are intermarried or join the same exclusive clubs, all that becomes important evidence to be weighed in making a judgement of how narrowly recruited our elites are, and from which we might infer their broadly similar interests in the survival of a capitalist economy.[21]

Let us survey the evidence. Cohesive or fragmented? In examining interlocking directorships, the kinship and economic networks entwined in the phenomenon of Kinecon, the private schooling of the elite, their clubs, residences and office location, we can clearly see that through a host of loci of interaction the socio-economic elite is able to promote and insure its homogeneity and cohesion. The political elite, on the other hand, does not appear to have the opportunities for social interaction at a high level that the socio-economic possesses, at least as far as attendance at the exclusive private schools, memberships of the more prestigious clubs, and residence in the more salubrious neighbourhoods--it could be that these areas of social interaction differ greatly from those of the socio-economic elite. Their cohesion may come from memberships in the same political party or in the social intereaction afforded by membership of a provincial assembly or federal parliament or Senate.

Open or closed? The evidence on private schooling and career patterns suggest that access to the socio-economic elite is still relatively restricted. The same could not be said for the political elite, which appears to be more open

and accessible. Hence there is partial support for the pluralist viewpoint, at least in relation to the political elite, but much more support for the Marxist viewpoint in terms of the economic elite.

FOOTNOTES

[1]Clement, op. cit., p. 150.

[2]Porter, op. cit., p. 231.

[3]Clement, op. cit., p. 162.

[4]Ibid., p. 157.

[5]Ibid., p. 158.

[6]Porter, op. cit., p. 524.

[7]Robin Fox, *Kinship and Marriage* (Penguin Books, 1964).

[8]Daniel Bell, "The Breakup of Family Capitalism, on Changes in Class in America," in *On the Exhaustion of Political Ideas in the Fifties: The End of Ideology*, edited by Daniel Bell (Illinois: The Free Press of Glencoe, 1960).

[10]Poulantzas, op. cit., p. 54.

[11]Bell, op. cit., p. 42.

[12]Robert Sheehan, "Proprietors in the World of Big Business," *Fortune*, June 15th, 1967.

[13]Ibid.

[14]Clement, op. cit., p. 244.

[15]Porter, op. cit., p. 285.

[16]Ibid., p. 305.

[17]Newman, op. cit., p. 420.

[18]Clement, op. cit., p. 249.

[19]Ibid.

[20]Charles Kadushin, "Power, Influence and Social Circles: A New Methodology for Studying Opinion Makers," *American Journal of Sociology*, Vol. 33, No. 5 (Oct. 1968), 695.

[21]Porter, op. cit., p. 304.

CHAPTER III

CO-OPTION

Interlock or Disengagement?

The capitalist class rules but does not govern, it contents itself with ruling the government.

Karl Kautsy, *The Social Revolution*, 1903.

Statement 3

The economic elite is active in more than one issue and policy area.

Counter-Statement 3

This elite, along with others, has only specialized involvement in specific interest areas.

Statement 4

The state is the organ of one group--the economic elite.

Counter-Statement 4

The state is an independent arbiter acting as an intermediate power.

In this chapter we shall examine Statements 3 and 4 in which pluralists and Marxists disagree about the involvement of members of the socioeconomic elite in non-economic spheres of policy making and the impartiality of the state. Pluralists contend that corporate figures confine themselves to participation in only specifically economic interest areas; Marxists claim that the economic elite extends its activity and interest into more than one issue or policy area. The strong involvement of members of the socio-economic elite in educational, community and cultural affairs would indicate that elite members do not restrict themselves to purely business affairs and content themselves with having positions in the corporate world. Instead they seek positions outside the boardroom and make their presence felt in a variety of quasi-political arenas; the university, the community association, the charitable concern.

The second convlict between Marxists and pluralists to be examined in this chapter centres on the composition of the state elite. The pluralists' belief in the impartiality of the state is countered by Marxist claims that the state is the organ of one group, the economic elite. The economic elite is seen as exercising power either directly through the occupation of political office or indirectly through other elites which represent their interests in the political realm.

The second, more complex Marxist viewpoint will be examined in Chapter 4; in this chapter we shall only examine the first viewpoint. By examining data on the personal and interest interlocks between business and government, we hope to be able to determine whether the political and economic elites are in fact interchangeable. If we encounter high degrees of interlock between business and politics then we can call into question the impartiality of the political elite upon which the pluralist case is based. The final area we shall examine in attempting to assess the impartiality of the state is the pressure group activity of members of the socio-economic elite. The existence of well equipped business lobbying groups could signify a further area where corporate figures are in a position to bring their influence to bear on the issues which affect their interests.

We will begin with the extent of elite involvement in issue and policy areas other than the strictly economic; we shall examine the participation of members of the socio-economic elite in educational, community and cultural affairs of British Columbia and attempt to determine thereby how active the socio-economic elite is in non-business sectors. Figures on such involvement by the political elite are given primarily for the purposes of comparison

as we would expect political figures to be active in local affairs and take an interest in cultural or community associations. It is the involvement of the socio-economic elite, however, in which we are primarily interested.

3.1 Education

In examining the extent of the socio-economic elite's participation in educational establishments, we find that their involvement is concentrated in two areas: the boards of governors of private schools and in the governing bodies of the three provincial universities and the major research institutions in the province. Just under half of the socio-economic sample is involved in educational institutions of one kind or another (22/46 or 47.8% of the sample). Eleven of these 22 are members of the governing bodies of universities, 9 are on the boards of research institutes, 3 belong to two such bodies and one individual to four such bodies. John Prentice, for example, who is chairman of Canadian Forest Products, is a member of the B.C. Research Council and the Institute for Research on Public Policy in Ottawa. Edgar Kaiser is a director of the Canadian Energy Research Institute and a director of the Private Energy Research Association, and Thomas Dohm, a director of the Bank of

B.C., is chairman of the Board of Governors of the University of British Columbia.

While none of the members of the socio-economic elite is a member of a public school board, 5 are members of private school boards, one being a member of two such bodies. The non-involvement of members of the elite in public school boards can perhaps be explained by the lack of interest that members of the economic elite have in such institutions. They send their children to private schools and they therefore focus their interest in this area. Involvement in the public school system at elementary and high school level would be superfluous. They do however appear in the public sector at university or college level and at the post-graduate level by their participation in the administration of research institutes. Here they are in a position to exert control over such matters as budgeting, the allocation of research funds and the hiring and firing of staff members.

One final note on elite involvement in educational establishments; the Lester B. Pearson College of the Pacific, one of the newer educational establishments in B.C., is a fine example of elite patronage. As Newman points out in a

footnote in his *Canadian Establishment*, the college:

> . . . has gathered under the direction of John Nichol, the former Senator who is chairman of the board of governors, the most impressive committee of Establishment sponsors of any Canadian educational institution.[1]

Newman then goes on to list the members of the committee. The list is indeed impressive, containing as it does figures such as Paul Desmarais, president of the giant Power Corporation of Montreal, James W. Burns, president of Great West Life Assurance Co., Winnipeg, and William P. Wilder, chairman of Canadian Arctic Gas Pipeline. One can conclude that members of the socio-economic elite have a substantial interest in and influence over educational establishments. They make judicious and pragmatic use of the positions of influence available to them. They concentrate their attention on the more prestigious higher educational establishments, leaving the public school positions for others.

Table IV gives a breakdown of the educational, cultural and community control positions of members of the socio-economic and political elites, YES indicating that a member of an elite does have a control position; NO indicating that an elite member possesses no position of authority in these sectors. Figures for both elites allow a comparison to be made.

TABLE IV: EDUCATIONAL, CULTURAL AND COMMUNITY CONTROL—POLITICAL AND SOCIO-ECONOMIC ELITES

	Yes	No
Socio-Economic Elite		
Educational control	47.8% (22)	52.2% (24)
Cultural control	19.6% (9)	80.4% (37)
Community control	32.6% (15)	67.4% (31)
Political Elite		
Educational control	8.5% (9)	91.5% (97)
Cultural control	5.7% (6)	94.3% (100)
Community control	37.7% (40)	62.3% (66)

It is interesting to note, for the purposes of comparison, that the socio-economic elite are far more involved in educational matters than the political elite.

3.2 Community Control

Turning to community control, members of the elite are involved in a whole gamut of philanthropic activities, ranging from involvement with Boy Scout groups to participation in such groups as the Canadian Council for Christians and Jews, hospital boards, community centres and ethnic organizations. Fifteen of 46 members of the socio-economic elite (32%) were involved in such groups as this. The majority (9) were involved in charitable organizations; a further 6 individuals were involved in Boy Scout groups, the remainder were involved with community centres (5), hospital boards (4), ethnic organizations (4), and the Canadian Council for Christians and Jews (3). Certain individuals had multiple

involvements, being a member of many different groups.

As Porter writes, "Organized philanthropy across the entire nation is governed by the corporate elite."[2] The Conference Board, which regularly monitors trends in corporate giving, reports that in 1973, 219 companies gave over $29 million in charitable contributions.[3] Among the elite of Canada's top companies annual donations range from $150,000 to $2.5 million. The breakdown of the $29 million is shown in Table V.

TABLE V COMPANY CONTRIBUTIONS 1973

Health & Welfare	45.3%
Education	31.9%
Culture	7.1%
Civic causes	7.2%
Other	8.5%
	100.0%

SOURCE: The Conference Board of Canada, Company Contributions, 1973.

As Richard Finlay remarks in his article on corporate giving in *Executive*

> It is hard to go through a full week without coming into contact with something that has not, at least indirectly, been touched by the generosity of some major company.[4]

Why do members of the elite spend their spare time and excess profits in community involvement? Porter suggests three reasons:[5] they have the money, it is good public relations, and such giving prevents the encroachment of the state in social affairs. Clement comes to the same

conclusions in examining the corporate elite eight years later, citing Allen Ross's study on philanthropy in Canada.[6]

3.3 Cultural Control

The wealthy have traditionally supported the Arts; perhaps British Columbians are not so lavish in their support as elsewhere but the Vancouver Symphony, the Playhouse Theatre and the Vancouver Art Gallery all benefit from elite support. Nine members of the socio-economic elite patronize the artistic or sporting world; in fact in B.C. sport does better than either music, theatre or the Arts, with the support of five members. Elite members are rewarded for their interest with prestigious positions on the governing bodies of such institutions.

Recent efforts to rationalize and systematize business support of culture has led to the establishment of the Council for Business and the Arts in Canada in which over 70 major corporations co-ordinate and plan their donations.[7] The organization aided by the Canada Council was set up by E. C. Bovey, chairman of Northern and Central Gas Corporation. The committee includes at least one member of our socio-economic sample; J. V. Clyne, former head of MacMillan Bloedel. Eight million dollars or 0.6% of pretax corporate profits went to the cultural field from Canadian corporations in 1975; large corporations seem to see it as their duty to support the Arts. Witness Lorne Lodge, chairman and president

of IBM Canada Ltd.:

> Corporate philanthropy is a legitimate and indeed almost a routine function of management. . . . IBM believes it should do all it can to strengthen the culture of the country in which it finds itself.[8]

In this section it has been demonstrated that many members of the socio-economic elite are in *positions* to exercise power in the fields of education, cultural and community control. It must be remembered that such exercise cannot confirm or deny the actual *exercise* of power by such individuals. Nevertheless, proof that such individuals were in the vicinity of centres of power other than the strictly economic does indicate that members of the elite had the time and opportunity to exercise power. As in detective fiction, placing a suspect near the location of the crime is a significant advance.

The neutrality of the state has always been a solid plank in the pluralist platform. The state has been seen as fair, impartial, independent and non-partisan. In examining data collected in B.C., we can investigate this neutrality. We shall examine the question from two viewpoints: the political's link to the economic elite; the economic's link to the political elite.

3.4 Political → Economic

It must first be stated that there are great difficulties in attempting to determine the business links of political figures. They are often not publicly disclosed.

Information on the business interests of members of the provincial assembly is, however, available under the Public Disclosures Act[9] and gives us ample evidence of the corporate interlocks of some of the provincial figures. Such data are not available for federally elected or appointed members of the political elite or for deputy ministers. The theoretical repercussions of the interlocks between government and business will be more fully developed in Chapter IV.

The degree of interlock between business and political spheres varies considerably. At the one extreme we encounter such figures as Walter Owen, Lieutenant-Governor of the province, who has succeeded in amassing 29 directorships,[10] outstripping his nearest economic rival by 10. At the other extreme are political figures with no discernible connection to the corporate sector. Then there are middle-ranking figures such as Gardom, Mair, Bawtree, Rogers or Strongman, who lead an intermediary existence between business and politics. Looking at the political elite as a whole: three-quarters of the provincially elected elite hold shares in a corporation or company. The percentage of the political elite holding shares is shown in Table VI. Table VII shows the percentage of

TABLE VI: POLITICAL ELITE SHAREHOLDING

N/A	(51)	48.1%
No shares	(13)	12.3%
Shares	(42)	39.6%

provincially elected political elite holding shares.

TABLE VII: POLITICAL ELITE SHAREHOLDING BY POLITICAL POSITION

	No	Yes	Total
NDP MLA	(8) 47.1%	(9) 52.9%	(17) 100%
S/C MLA	(4) 20.0%	(16) 80.0%	(20) 100%
S/C Cabinet	(0) ---	(16)100.0%	(16) 100%

If we look at the breakdown in Table VII in terms of political affiliation, it is quite clear that the Social Credit caucus have greater numbers of shareholders among its ranks. The Social Credit cabinet can in fact boast that all its members are shareholders.[11] Looking at the figures for the NDP caucus we can see a much more even split, with approximately half being shareholders and half not.

It should be noticed for the purposes of comparison that only a very small proportion of Canadians own shares. In 1969 only 870,852 out of 8,495,184 income earners owned as much as one share; 42% of those shares were owned by the top 1% of all income earners.[12]

Many members of the political elite who could be classed as small businessmen have acquired shares in major corporations. As Johnson writes:

> It would appear that during a period when independent ownership has become less and less viable, those who would formerly have aspired to an independent petit bourgeois status have made an attempt to maintain an element of participation in the capitalist sector of the economy by the acquisition of stock in the giant corporations.[13]

In this way, members of the political elite have been co-opted; they have been drawn into the circle of big business. By the ownership of even small amounts of shares, a subtle bond between corporate and political worlds is made. By way of illustration, George Mussallem, a Social Credit MLA, is president of Mussallem Motors and owns shares in, among others, the Bank of Montreal, Ford Motor Company of Canada, Canada Cement Lafarge, Kaiser Resources, The Bank of B.C., and General Motors Corporation.

TABLE VIII· POLITICAL LINKS OF SOCIO-ECONOMIC ELITE

No links	52 2% (24)
Links	47.8% (22)
Total	100.0% (46)

TABLE IX. DETAILED BREAKDOWN OF THE SOCIO-ECONOMIC ELITE'S POLITICAL LINKS

Partisan Links	
Cabinet	4.3% (2)
Commons	4.3% (2)
Provincial Assembly	2.2% (1)
Supreme Court	4.3% (2)
Political Affiliation	10.9% (5)
Non-Partisan Links	
Bureaucracy	2.2% (1)
Government Advisory Boards	32.6% (15)
Royal Commissions	4.3% (2)
Crown Corporations	6.5% (3)
Other Links	
War Bureaucracy	2.2% (1)
Kinship	4.3% (2)
Service to Foreign Governments	4.3% (2)

In addition there are political figures with substantial big business interlocks who have been recruited into

the political elite and more especially the Social Credit caucus thus further co-opts the elite. The Social Credit MLA William Strongman perhaps represents this newer breed of Socred. He is vice president and director of Tonecraft Ltd. and individually owns shares in various mining companies. As the disclosure reads, "The MLA and members of his family control D. R. Strongman and Sons Ltd. This company is an investment company and included in its portfolio are shares in the following companies: Abitibi Paper Co. Ltd., Alcan Aluminium Ltd., International Nickel, IU International Corporation, Placer Development, Weldwood Canada"--as well as others.

We must be careful not to conclude, however, that the political elite is synonymous with the economic elite. It is evident they are not. As Porter writes:

> The reason why political leaders in Canada may appear to serve the corporate elite is not because the former are agents of the latter, but rather because they are predominantly middle-class in origin. . . . The middle-class characteristics of the politicians easily leads to a community of interest between politicians and corporate power.[14]

3.5 Economic → Political

Examining linkages in the other direction, we see that almost half the socio-economic elite have political links of one kind or another. The types of political involvement have been itemized on a separate sheet. The most common link is that of membership of a government advisory board; the second most common link is that of avowed political

affiliation, followed by the other types of linkages. The linkages have been classified according to whether the position was "partisan" (that is a member of a political party or a member of the legislature) or an appointment where no party was involved (member of a Royal Commission or bureaucracy). On the latter it could be argued that even appointments to Royal Commissions or government advisory boards are subject to partisan influences so the distinction is invalid. Nevertheless, it is important to make a qualitative distinction between the various types of linkages and not assume they are all of equal weight or equal significance.

Partisan links indicate a stronger political interest and commitment on behalf of corporate figures than non-partisan linkages. The strongest partisan links between economic and political spheres are those provided by "elite-switchers," that is, individuals who began their careers in politics and then moved to the business world. Of the 10 members of the socio-economic elite who could be described as elite-switchers, there are 2 members who illustrate this trend admirably; James Sinclair and John Nicholson. James Sinclair began his political career by being elected to the House of Commons in 1940 for the federal constituency of North Vancouver. He was appointed Parliamentary Assistant to the Minister of Finance in 1949; he was Minister of Fisheries from 1952 to 1957 in the then Liberal government. After a 28 year political career, Sinclair moved to the

business sphere. He is now chairman of Canadian Cement Lafarge and a director of, among others, the Bank of Montreal, ICI Americas, Alcan Aluminium, Cominco, Sun Life Insurance Co., and Canadian Industries Ltd. He is, of course, also Pierre Trudeau's father-in-law.

The Hon. John Nicholson, PC, OBE, QC, LLD, KFSt.J, exhibits a similar, if later, pattern. After obtaining a law degree and reading law in New Brunswick, Nicholson launched into his political career. From 1933 to 1941 Nicholson was Deputy Controller of Supplies in Ottawa; from 1941-42 he was Deputy Minister of Munitions and Supplies. Then he returned to business, to the Polymer Corporation and their subsidiaries in Brazil. In 1960 it was back to politics, first as president of the Council of Forest Industries of B.C. and then as MP for Vancouver Centre from 1962-68. During his short time in the Commons, Nicholson held a variety of cabinet positions: Minister of Forestry (1963), Postmaster General (1964), Minister of Citizenship and Immigration (1965), Minister of Labour (1965-68). Nicholson crowned his political career with the Lieutenant-Governorship of British Columbia (1968-73). He is now a director of Crestbrook Forest Industries, Inexco Oil Co., and Weyerhauser Canada Ltd.

As well as such figures as Nicholson and Sinclair who have had extensive political careers, there are figures such as Thomas Dohm, a Supreme Court judge in B.C. for six years

from 1966 to 1972, and Edgar Kaiser who worked for the Agency for International Development in Vietnam and served as a White House Fellow and assistant to President Johnson in 1968.

Apart from these prominent elite-switchers, there are the members of the elite who have non-partisan links to the political elite. These individuals served on government advisory boards such as the Advisory Council of the Department of Industry, Trade and Commerce and the Canadian Forestry Advisory Council to the Environment Minister, Royal Commissions or Crown Corporations. On these advisory boards and on government Royal Commissions the socio-economic elite are able to trade their knowledge and expertise in specific fields such as banking or forestry for positions of influence on policy making in these areas.

From the above it can be seen that the socio-economic elite do have quite a number and variety of interlocks with the political realm but it is evident also that their links tend to be to federal politics and not provincial politics. Perhaps members of the socio-economic elite feel more comfortable with the federal Liberal and Conservative parties than the two provincial parties: Social Credit and NDP.

The final area where economic meshes with political is in the activities of pressure groups. Altogether, 76.6% of the socio-economic elite are members of professional organizations or pressure groups. The most popular group is the

Vancouver Board of Trade with 11 members (23.4%) and the next most popular is the Chamber of Commerce with 7 members (14.9% of the sample). There then follows a host of other organizations of a more specialized nature; the Canadian Forestry Association, The Canadian Pulp and Paper Association, the Canadian Bar Association, the Law Society, the Association of Professional Engineers, the Engineering Institute, The Mining Association, and the Canadian Institute of Mining and Metallurgy. The organizations fall basically into three categories; general trade organizations such as the Chambers of Commerce, specialized professional organizations such as the Canadian Bar Association, and the more powerful employer groups such as the Employers Council of B.C. and the Council of Forest Industries of B.C. Both these organizations have four members each among the socio-economic elite.

Two examples of pressure group activity, both involving members of the socio-economic elite, were observed from a reading of the *Financial Post* over a two month period. The first reported in the *Post* in February 1977 concerns Ian Barclay, chairman of British Columbia Forest Products. The article announced his appointment to the chairmanship of the Canadian Pulp and Paper Association and quoted Barclay as saying that:

> The Association will concentrate this year on a defence of profits. . . . The public relations arm of the industry has been beefed up and senior industry executives will be pounding home the view that if the profits

> of Canadian industry continue to lag behind those of the U.S., our industrial development will fall further behind--as will our standard of living and our ability to achieve those social goals to which we would all subscribe.[15]

Such organizations and the individuals who head them are concerned with the public image of business and with the activities of government which they see as influencing their interests or their profits.

The second example is taken from the *Post* of February 26, 1977 and concerns another member of our socio-economic sample: G. D. H. Hobbs, president of Cominco and speaker at the Employers Council of B.C.'s Outlook Conference. Hobbs was quoted as saying that:

> With the new mineral legislation promised for this session of the legislature, British Columbia could once again be the hot spot for mineral activity in Canada. Exploration investment is increasing sharply. Next year's statistics will show a major resurgence in drilling and economic activity. The pause of the past few years will inevitably affect the 1980's. Everyone in British Columbia should be glad the industry is on the march again.[16]

These examples and the other data we have collected on the interrelations between business and politics demonstrate that the two spheres are connected, but it is obvious that the political and economic elites are not interchangeable. Corporate figures tend to be linked more closely to federal politics than to provincial politics although the recent emergence of individuals with stronger business connections in the Legislative Assembly may indicate a change in this trend.

The second challenge of the Marxists to the impartiality argument of the pluralists is contained in the more complex Marxist counter claim that the ruling class exercises its power not through the direct occupation of political office but indirectly through other elites which represent their interests in the political realm. It is this second challenge that we shall examine next.

Footnotes

[1]Newman, op. cit., p. 403.

[2]Porter, op. cit., p. 300.

[3]J. Richard Finlay, "Corporate Giving," *Executive*, November, 1975.

[4]Ibid.

[5]Porter, op. cit., p. 300.

[6]Aillen D. Ross, "The Social Control of Philanthropy," *American Journal of Sociology*, 58 (March 1953). Ms. Ross shows how in an eastern Canadian city a small group of top management of a large corporation controlled highly organized campaigns to collect money for philanthropic purposes.

[7] *Globe and Mail*, October 14, 1974.

[8] *Financial Post*, November 20, 1976.

[9] *The Public Officials and Employees Disclosure Act* was passed in the province in 1974.

[10]It is perhaps worthwhile to list his directorships: Owen is chairman of Monsanto Canada Ltd., vice-president and director of Western Broadcasting Co., and director of the following: Act Oils Ltd., Alouette Estates Ltd., Atlin Investments Ltd., Blake Investments Ltd., Canada Coachways, Canucks Publishing Ltd., Eastern Canadian Greyhound Lines Ltd., The East Asiatic Co. Ltd., The Imperial Life Insurance Co. of Canada, Greyhound Computers of Canada Ltd., Norwich Union Fire Insurance Society Ltd., Radio QR Ltd., Radio ML Ltd., Western Productions Ltd., Western Broadcast (Sports) Ltd., Jeffery Pratt Associates, Canada Security Assurance Co., Radio NW Ltd., Radio QB Ltd., Greyhound Lines of Canada, Canada Permanent Mortgage Corporation, Canada Permanent Trust Co., Cascade Gas Utilities Ltd., Brewster Transport Co. Ltd., Northwest Sports Enterprises Ltd., Saturna Investments Ltd., Vancouver Hockey Club Ltd.

[11]The levity with which some members of the Social Credit cabinet treat disclosures is evident when reading some of the submissions. For example, Garde Gardom's list of shareholdings contains a series of jokes. An asterisk beside his shareholdings in Pacific Western Airlines is footnoted by him as "*-me and Premier Lougheed!?! Would be happy to sell all for what I paid for them, can this be arranged? Ho ho."

[12]Leo Johnson, op. cit., p. 227.

[13]Ibid.

[14]Porter, op. cit., p. 607.

[15] *Financial Post*, February 12, 1977.

[16] *Financial Post*, February 26, 1977.

CHAPTER IV

CONTROL

Superior or Substantial Power?

The question is not whether this class has a substantial measure of power and influence. . . . The question is a different one altogether, namely whether this dominant class also exercises a much greater degree of power and influence than any other class, whether it exercises a decisive degree of political power.

Ralph Miliband, *The State in Capitalist Society*, 1969.

Statement 5

Representatives of indigenous Canadian capital in British Columbia hold dominant sway over the political elite, possessing superior economic, cultural, residential and social resources.

Counter-Statement 5

Such a group has a substantial measure of power and influence as a powerful pressure group, but does not dominate the political elite.

4.1 Control

In this last of three detailed chapters of analysis, we shall examine the issue of control. We hope to investigate the possibility that the economic elite in British Columbia possesses not only a substantial measure of power and control, for that is not a matter of controversy, being a position unchallenged by much pluralist writing, but rather we hope to investigate the possibility that the economic elite in British Columbia is in a position to exercise superior power over the political elite. In examining this latter position we will also be able to evaluate the elitist view of power structures which holds the political elite supreme as well as the pluralist view which sees the political elite as an independent arbiter. We have already seen in Chapter III that the economic elite does not exercise power directly through the occupation of political office. We have therefore rejected the simplistic Marxist view of the economic elite being synonymous with the political elite.

Are there other means by which the economic can dominate the political? The alternative Marxist explanation of the superior power of the economic elite vis-a-vis the political elite is that the members of the economic elite own or control large amounts of capital and the very ownership of capital is sufficient to ensure dominance. This is countered

by elitist claims that the simple election to political office ensures dominance. We reach a stalemate. It is therefore worthwhile to approach the question from another perspective, leaving aside the occupation of political office and the ownership of capital. This perspective entails an examination of group resources. Resources will be defined as means for supplying a want, the group's collective means for support and defence. Resources are of three main types; social resources will be examined under the heading of cemented versus fractured; political resources will be dealt with under the general heading of bourgeois versus petit bourgeois, and finally strategic resources will be deal with under the heading of metropolis versus hinterland. In these three sections we hope to build a coherent picture of the power sturcture of the province, taking into account the complexities and peculiarities of the British Columbian situation, thus coming to some conclusions as to the power of the economic elite and the countervailing power of the political elite.

4.2 Cemented vs. Fractured

We have already seen in Chapter II that the economic and socio-economic elites are extremely cohesive, homogeneous closed groups, whereas the political elite is a fragmented,

heterogeneous and comparatively more open elite. We therefore found some support for pluralist claims that elite access was open, at least politically. There are consequences which ensue from such heterogeneity and fragmentation. It could be argued quite convincingly that the political elite is greatly weakened by its divisions and that the economic elites are greatly strengthened vis-a-vis the political elite as a result of their cohesiveness and homogeneity. As Resnick writes:

> Perhaps it is precisely because of the lack of homogeneity amongst the political elite in B.C. that there exists no need for overt control by the economic elite: a group with such varied backgrounds will seldom become cohesive enough in their beliefs to threaten the position of the elite.[1]

The political elite is divided by the vagaries of a federal/provincial system and is also deeply divided along party lines. The Social Credit and New Democratic parties are sharply opposed ideologically, unlike the Republican and Democratic parties in the pluralist home base. As Robin writes:

> The British Columbia anomaly derives in part from the peculiar nature of the coast social structure, extreme social cleavages based primarily on class differences have prevented the emergence of the non-ideological, omnibus parties widely advertised by North American political scientists. High social tension and a weakly developed consensus are enduring elements of British Columbia's social structure.[2]

As a result the American pluralist model is unsuited to Canadian, and more especially, British Columbia politics.

If the political elite is divided, the economic elites are distinguished by their coherence and cohesion. They have definite economic interests in common and their unity is enhanced as they come in contact and conflict with other, opposing classes.

Let us turn to the second area where the differences between economic and political elites have consequences in terms of the issue of control

4.3 Metropolis vs Hinterland

In examining the data on the social backgrounds of socio-economic and political elites, two radically different profiles emerge. In this section we will be concerned with the dichotomy between a metropolitan and hinterland existence and with the cleavage this creates between economic and political elites and the consequences of this cleavage regarding control. We shall look at place of birth and current residence for the members of each elite and use these as indicators of the background and location of each elite.

We find a metropolitan based economic elite, largely urban born and urban resident (only two lived outside the provincial centres of Vancouver and Victoria), having city based offices and club memberships. The socio-economic

elite's links outside the metropolis tend to be other metropolitan centres in eastern Canada or the United States.

In stark contrast, the political elite are predominantly rural born and rural resident, having localized, non-metropolitan memberships and being firmly based in interior communities. Links to Vancouver in terms of residence or club memberships are weak and links outside the province are even more tenuous. Examining the data more closely: 16 out of 46, or 34% of the socio-economic elite were born in Vancouver, only 4, or 8.5% of the elite were born in interior British Columbia. Casting our net wider than B.C., only 5, or 10.6% members of the socio-economic elite were born in the urban provincial centres of Montreal, Toronto, Calgary or Winnipeg. There is only one Maritimer. As one would expect, the majority of the elite are westerners, although there is a considerable proportion of overseas births: 9 or 19.1% members of the socio-economic elite being born overseas. Interestingly enough, overseas cities featured most often were Vienna, New York and London. In fact, more members of the socio-economic elite are born overseas or in the United States than in eastern Canada, perhaps indicative of the history of European and northern immigration to British Columbia (see Tables X and XI).

TABLE X: URBAN/RURAL/OVERSEAS BIRTHPLACES OF SOCIO-ECONOMIC AND POLITICAL ELITES

	Urban	Rural	Overseas	USA	N/A
Socio-economic	55.3% (26)	19.1% (9)	19.1% (9)	4.3% (2)	2.1% (1)
Political	35.7% (38)	46.1% (59)	8.5% (9)	0.9% (1)	8.5% (9)

TABLE XI· WESTERN/EASTERN BIRTHPLACES OF SOCIO-ECONOMIC AND POLITICAL ELITES

	Western	Eastern	B.C.
Socio-economic	55.3% (26)	19.1% (9)	46.8% (22)
Political	72.2% (77)	9.3% (10)	42.4% (45)

Turning to the political elite, the first striking feature of this group, in contrast to the socio-economic elite, is their predominantly rural birthplaces. This holds true not only for those members of the political elite born in British Columbia, but also for those born in the Prairie provinces. Two of the elite may have been born in Calgary, but 12 were born in rural Alberta; similarly, although 2 members of the political elite were born in Regina, 12 were born in rural Saskatchewan. Examining oversease births, the trend continues; of the 10 members of the elite born outside Canada, only 2 had city birthplaces, the remainder having been born in rural areas or small towns. There are snags in using birthplace as an indicator of a rural or urban background: there may be cases where birthplace was coincidental,

the family of the elite member having moved shortly after the birth of the child, but without a lifelong, detailed history of the family concerned, a history which would be difficult to compile and more difficult to summarize, this particular difficulty cannot be overcome. One final feature of the political elite's birthplaces is that they are overwhelmingly western. Only 9 members of the elite were born in eastern Canada (3.4%), the vast majority, 77 or 72.4%, were born in Saskatchewan, Manitoba, Alberta, or British Columbia. In fact, nearly a quarter of the elite were born in either rural Alberta (11.3%) or rural Saskatchewan (11.3%).

Club memberships are an indicator not only of prestige but of ties to the metropolis as the vast majority of clubs of importance are situated in the metropolis. If we compare the socio-economic elite's memberships of such clubs with the political elite's, we can get some indication of both ties to the metropolis and prestige.

TABLE XII CLUB MEMBERSHIPS OF SOCIO-ECONOMIC AND POLITICAL ELITES

	Shaughnessy	Capilano	VLTB	RVY	Union
Socio-economic	31.9% (15)	19.1% (9)	12.8% (6)	19.1% (9)	12.8% (6)
Political	1.9% (2)	0.9% (1)	0.9% (1)	2.8% (3)	8.5% (9)

Whereas the members of the political elite belong to very few of the prestigious clubs, members of the socio-economic elite have substantial memberships in most of the major

clubs. The political elite only surpasses the economic in memberships of the Victoria-based Union Club. This is perhaps to be expected as the Union is located in the political capital of the province. In Vancouver, however, the picture is of minimal involvement by the members of the political elite.

In the matter of current residence, the latter is also indicative of metropolitan/hinterland cleavage between the economic and political elites. Only one member of the socio-economic elite lived in the interior (Kamloops) and only one in Victoria; the remainder lived in Vancouver. Whereas in examining the residences of the political elite we see that approximately one-third live in the interior; roughtly one-third live in Victoria, of whom over half gave their address as the Parliament Buildings; a further one-third live in Vancouver but of this third, many live in outlying districts such as Burnaby, Richmond, Surrey, or New Westminster. The majority of Vancouver residents were judges, who it has been noted, are often atypical of the political elite as a whole. Many of those who gave Victoria addresses were either members of the cabinet or deputy ministers whose place of work would be Victoria.

TABLE XIII. RESIDENCES OF THE SOCIO-ECONOMIC ELITE AND POLITICAL ELITES

	Vancouver	Victoria	Interior
Socio-economic	44	1	1
Political	30 (9)	25 (13)	32

NOTE: Figures in parentheses under Vancouver column indicate numbers of residences in outlying municipalities, under Victoria column members who give their address as the Parliament Buildings.

Thus we find a dichotomy between the metropolitan and hinterland existence, between the socio-economic elite and the political elite. What consequences does this dichotomy have for the issue of control? It has been stated elsewhere that the metropolis continuously dominates and exploits the hinterland whether in regional national, class or ethnic terms,[3] for the metropolis:

> . . . signifies the centres of economic and political control located in the larger cities, further the term may denote urban, upper class elites, or regional and national power-structures of one sort or another.[4]

Whereas the hinterland is:

> . . . the relatively underdeveloped or colonial areas, which export for the most part, semi-processed, extractive materials--including people who migrate from the country to the city for better educational and work opportunities.[5]

It could of course be argued that elected representatives would be bound to exhibit such localized, hinterland trends given their role and function as representatives of specific geographical areas, servicing remote, interior communities. The economic elite's urban, metropolitan bias

could also be easily explained by the tendency for corporations to locate their head offices in large urban centres. Such conglomerations have consequences, however, for if the political elite has effectively ceded power in the metropolitan area to the business community, this has repercussions in terms of the degree of control political can exercise over economic. A power base in Prince George or Kamloops seems frail and insubstantial compared to one which rests on Vancouver or Toronto. It could be argued that MLAs and MPs are drawn together in Victoria and Ottawa and thereby exert some control over the centre; however, members of the political elite are there only for parliamentary or legislative sessions, thereby representing somewhat shaky footholds. By its occupation of the metropolis, the socio-economic elite is in a position to exert superiority over a hinterland political elite.

4.4 Bourgeois vs Petit Bourgeois

Turning from geographical location to economic interests, as Porter quite rightly points out:

> Although politicians are generally considered to be representatives of geographical constituencies, legislatures are frequently analyzed to discover the extent to which they are representatives of other interests, particularly economic interests.[6]

In examining data on the occupations of members of the political elite, we can come to some conclusions as to the class backgrounds and the economic interests they represent

and attempt to see if the economic interests of the political elite coincide with the interests of the major industrialists of the province or if they clash. If it can be shown that, through an analysis of their class backgrounds, the interests of members of the political elite are closely tied to the economic elite, this will be a third way of demonstrating the control economic has over political.

TABLE XIV. POLITICAL ELITE, OCCUPATIONS

Professionals	17	15.1%
Lawyers	19	17.1%
Managerial	36	37.2%
Businessmen	22	19.8%
Skilled	2	1.8%
Farmer	4	3.6%
Miscellaneous	6	5.4%
Total	106	100%

We see that the largest percentage of the political elite can be classed as managerial (37.2%), the next largest group could be described as businessmen (19.8%), closely followed by professional (15 1%) and lawyers (17.1%). Skilled workers and farmers are barely represented (1.8% and 3.6% respectively), and unskilled workers are totally absent from the political elite. The very wealthy and comparatively poorer element of the population do not appear.

Looking more closely at each occupational group in turn, beginning with the second largest group, the small businessmen, one can designate a significant minority of the Social

Credit caucus as petit bourgeois. As a class, the petit bourgeoisie can only be defined negatively; as those whose living comes neither from employing large amounts of labour nor selling the disposal of their labour. Such individuals may own a small factory or shop in an industrial area or be small farmers in agrarian districts, as Macpherson's small independent commodity producers of Alberta who formed the basis of Social Credit support in that province.[7] They are the small owners of the means of production who hold insignificant amounts of capital.

As a class it has several key characteristics:

1. It is transitory for as capitalist enterprise expands small businesses become more of the exception than the rule and with the full maturation of a capitalist economy they completely disappear as an independent sector of society.
2. It is heterogeneous, being a collection of different elements, small farmers, shopkeepers, landlords and owner/managers.
3. It is lacking in class consciousness. This trait arises directly from its first and second characteristics. Its differing elements have nothing in common except their growing insecurity which results from their increasingly anomalous position in the economy. This leads directly to its fourth characteristic:
4. It is conservative. Stability and continuity are of

utmost importance in a era of change.

The literature on the petit bourgeoisie is scattered, diverse and fragmentary. When located, it is concerned primarily with its political activities and sentiments and emphasizes the conservatism of its members. Hence, the studies of small business support for the McCarthyite movement in the United States,[8] petit bourgeois support for the Poujadist movement in France,[9] and in Canada Macpherson's treatise on the Social Credit movement in Alberta.[10] A more recent study on the political attitudes of small shopkeepers in Scotland has identified three elements in the economic philosophy of the petit bourgeois class.[11] These are; a deeply held belief in the advantages of independence, an emphasis on the virtue of working for oneself, and a distaste for what might be termed the rational/legal elements in our society, the large bureaucratically organized structures of modern society. Taken collectively, these three elements represent a philosophy of possessive individualism which is intent on preserving a property-owning democracy This ideology has many functional aspects for a capitalist economy providing as it does a set of ideas favouring free enterprise, profit and individualism. It brings with it a tacit belief in the viability and desirability of a capitalist economy, and represents a strong support for members of the economic elite in their dealings with government.

In the Social Credit caucus the petit bourgeois element is well represented, approximately one-third of the caucus being small businessmen of one type or another. It is quite possible that this predominance of small business petit bourgeoisie may be unique to British Columbia. If the petit bourgeoisie in Canada can be seen as being composed of two groups--the independent commodity producers such as farmers and craftsmen and the small businessmen such as retailers and rentiers--then the Social Credit caucus can be seen as being heavily weighted towards the latter sector. There are few independent commodity producers and far more small business people, such as Bawlf who owns a restaurant and real estate development businesses, Fraser who owns a small trucking firm, Haddad and Mussallem who have small car dealerships, Vanderzalm who owns Art Knapp Nurseries, McCarthy who began her business career as a small florist, Howard Lloyd who operates a logging company, Loewen who has a funeral service, and Phillips who owns a small retail business.

In conclusions, as Porter declares:

> Neither the corporate elite, nor the very wealthy have much to fear from middle class politicians. It is more likely that the politicians hold the corporate elite in awe.[12]

A small business ideology is basically supportive of the aims and aspirations of a corporate elite.

There is another, slightly smaller proportion of the Social Credit caucus who are substantial shareholders and possess larger amounts of capital who could be termed bourgeois rather than petit bourgeois. Figures such as Strongman, Rafe Mair, Gardom, Bawtree and Rogers have substantial shareholdings, as we have seen in Chapter III. These individuals have substantial links to big business and as such their economic interests would be harmonious with those of members of the economic elites.

Turning from the business sector of the political elite and widening our scope from the provincially elected figures to the federally elected and appointed figures, we see that two occupational groups predominate: lawyers and professional and managerial workers. Do these individuals have interests opposed to big business? Do they constitute a countervailing power?

Lawyers are something of a special case in the professional and managerial strata. Porter terms lawyers the "high priesthood"[13] of the political system. The profession has been pre-eminent in federal politics since Confederation. Of the 242 federal cabinet ministers between 1867 and 1940, 48% were members of the legal profession, and in the Trudeau cabinet of 1970 there were 9 lawyers.[14] Lawyers possess not only highly favoured qualities of a political figure (verbosity, lucidity, legislative abilities) but also, as Porter points out, they "occupy strategic positions as advisers in

both the political and economic institutions.:[15] In Porter's political elite, lawyers predominate; two-thirds (64%) were lawyers. Yet if we rule out the Appeal Court judges, only 17.1% of British Columbia's political elite were lawyers. Porter was of course dealing with a federal elite and we are dealing not only with federally elected figures but also provincial representatives: nevertheless, the discrepancy is still interesting.

By far the greatest proportion of the political elite, however, were not lawyers but other members of the professional and managerial strata. Taken collectively they comprise 52.3% (if lawyers are included as members of the professions, the total percentage rises to 69.4%) of the political elite. Does this group then represent a power superior to the industrialists and financiers of big business? Is this group in fact a ruling class?

The power that this group can wield is crucial in attempting to assess who holds power in British Columbia. They comprise the largest single group within the political elite. There is also a whole school of thought, the managerial school, which declares that this group is in fact supreme in modern industrial societies. If these writers are correct, then there are grave reasons to doubt the supremacy of the economic elite.

The basic thesis of the managerial school was outlined first by A. A. Berle and G. C. Means in *The Modern Corporation*

and Private Property[16] and James Burham in his *The Managerial Revolution*[17] The basic thesis of this group is that there has been a transition from a capitalist society to a managerial society. The argument is that the managers have taken over the power that was formerly in the hands of the capitalist owners of industry. These writers point to the rise of managerialism as evidence that property no longer confers power in the large corporation or in the state. The extension of the franchise and the growth of modern political parties is for these writers indicative of the fact that political power has become detached from the ownership of property and above all to the diminished importance of property as a source of income and its replacement by occupational position. The latter point is usually linked to the view that inheritance of occupational position cannot occur in the same way as the inheritance of property, and hence that the family becomes less and less important as the conveyor of wealth from one generation to the next. As Daniel Bell writes in *The End of Ideology*:

> Family capitalism meant social and political as well as economic dominance. It does so no longer. . . . Two silent revolutions in the relations between power and class position in modern society seem to be in process. One is a change in the mode of access to power in so far as inheritance alone is no longer all-determining, the other is a change in the nature of power holding itself in so far as technical skill rather than property and political position rather than wealth have become the basis on which power is wielded.[18]

The chief consequence politically for the managerialists is

the breakup of the ruling class. Yet, as we have already seen in Chapter II, the family is still a tremendously important conveyor belt of wealth in British Columbia and careers in family firms are still an important avenue of advancement for many of B.C.'s top directors.

There are, moreover, serious theoretical as well as empirical faults which can be found with much managerial literature. Firstly, it is evident that the top managers and owners of property are intimately connected; so much so that they form a single social group. As Bottomore has pointed out, the middle and lower levels of management are scarcely different for:

> The social area of recruitment is not very much wider, and since most of the managers at this level are aiming to reach the higher executive positions they have for the most part, the same social attitudes and they seek to establish the same social connections as those at the top.[19]

There is therefore no evidence that managerial or professional workers are independent of upper class property owners. The individualistic ideology of capitalism has not been replaced by a separate and distinct opposing managerial ideology. As Giddens writes:

> That there is conflict between shareholders and management cannot be denied, but these do not appear to be any more common than those between shareholding blocs, and if anything they are probably less so. [Rather than indicating that managers and owners] increasingly move apart in their outlook on and attitudes towards society in general and towards the enterprise in particular, what evidence there is suggests something quite different, that an overall homogeneity of value and belief, and a high degree of social solidarity, as

> manifest in interpersonal contacts, friendship and marriage ties, is more noticeable than any marked cleavages.[20]

Thus the factors uniting family style owners and professional managers are much stronger than the elements tending to divide them. Furthermore, managers are very often owners in that they have shareholdings in the companies in which they are employed. Witness, for example, Kolko in *Wealth and Power in America* "the managerial class is the largest single group in the stockholding population"[21] and C. Wright Mills, *The Power Elite*, "a greater proportion of this class holds stock than any other."[22]

And we have seen in Chapter III how many members of the provincial legislature own shares.

If there is an over-preponderance of professional and managerial representatives in the political elite, there is a dearth of representatives from the ranks of skilled workers and farmers and a complete lack of representation from semi-skilled and unskilled workers. There are 2 members of the political elite (1.95%) who could be described as skilled workers and 4 (3.8%) who describe themselves as farmers, a total representation for these groups of 5.7%. Thus two of the very groups which could be said to have class interests directly opposed to those of big business (semi-skilled, skilled and unskilled workers) have almost no direct political representation.

In conclusion, we saw in our chapter on co-option, members of the upper class do not enter political life in large numbers. There were cases at the federal level of isolated individuals who were elite switchers, sustaining at different times both a business and political career, and there were individuals in the Social Credit caucus who had big business connections, indicating perhaps the re-infiltration of big business into provincial politics after the demise of the provincial Liberal and Conservative parties. But the case for the power of the economic elite rests not on their direct occupation of political office but on their ability to exercise power through their great internal cohesion, their continuity across generations, their domination of the metropolis and their continuance of a free enterprise ideology, present in the business, professional and managerial groups which make up the bulk of the political elite.

The political elite is fragmented, the economic elite cemented: the political elite is placed far away from the centres of decision making in the hinterlands of the province, the economic elite is placed at the strategic centre: the economic elite is the owners and controllers of large corporations which control huge amount of capital, the political elite are merely the former employees of such conglomerates or their offshoots or members of a petit bourgeois class which still clings to an outmoded faith in the free

enterprise ethic. In short, the economic elite possesses superior economic, social and residential resources to those of the political elite. They are therefore in a position to exercise not only substantial power but superior power.

Footnotes

[1]P. Resnick, "The Political Economy of British Columbia: A Marxist Perspective," in *Essays in B.C. Political Economy*, edited by P. Knox and Phillip Resnick (Vancouver: New Star Books, 1974).

[2]Martin Robin, "The Social Basis of Party Politics in British Columbia," in *Canadian Society. Sociological Perspectives*, edited by B. Blishen, Frank E. Jones, Kaspar D. Naegele and John Porter, abridged edition (Macmillan of Canada, 1971), p. 290.

[3]A. K. Davis, "Canadian Society and History as Hinterland versus Metropolis," in *Canadian Society: Pluralism, Change and Conflict*, edited by R. J. Ossenberg (Scarborough: Prentice-Hall, 1971), p. 12.

[4]Ibid.

[5]Ibid.

[6]Porter, op. cit., p. 390.

[7]C. B. Macpherson, *The Social Credit Movement in Alberta* (Toronto: University of Toronto Press, 1953), p. 195.

[8]M. Trow, "Small Businessmen, Political Tolerance and Support for McCarthy," in *Political Sociology*, edited by L. Cooper (New York: Harper and Row, 1967).

[9]Indeed the Social Credit movement has been compared to the Poujadist movement in France and the radical right in the United States by Donald Smiley in "Canada's Poujadists: A New Look at Social Credit," *Canadian Forum*, 42 (September 1962), 123.

[10]Macpherson, op. cit.

[11]Frank Bechhofer, Brian Elliott, Marcia Rushforth and Richard Bland, "The Petit Bourgeois in the Class Structure: The Case of the Small Shopkeepers," in *The Social Analysis of Class Structure*, edited by Frank Parkin (London: Tavistock Publications, 1974).

[12]Porter, op. cit., p. 391.

[13]Ibid., p. 392.

[14]Ibid.

[15]Ibid.

[16]Adolf A. Berle and Gardiner C. Means, *The Modern Corporation and Private Property*, revised edition (New York: Harcourt, Brace and World Inc., 1968).

[17]James Burham, *The Managerial Revolution* (New York: Day, 1941).

[18]Bell, op. cit., p. 42.

[19]T. Bottomore, *Elites and Society* (London: C. A. Watts & Co., 1964), p. 81.

[20]A. Giddens, *The Class Structure of Advanced Societies* (New York: Harper and Row, 1973), p. 271.

[21]Gabriel Kolko, *Wealth and Power in America* (New York: Praeger, 1962).

[22]Mills, *The Power Elite*, op. cit., pp. 121-122.

[23]Robin, op. cit., p. 296.

CHAPTER V

THE WEST: A CANADIAN COMPARISON

Some Conventional Wisdoms Questioned

> Vancouver is the Canadian Establishment's frontier. The fiscal gunslingers are more macho here than anywhere else: the potential stakes are higher. If you are lucky, you survive, if you are luckier still you get to stay.
>
> Peter C. Newman, *The Canadian Establishment*, Volume 1.

5.1 *British Columbia: A Canadian Comparison*

There are many cliches which recur in any treatment of British Columbia's social structure. A brief examination of Newman's *The Canadian Establishment*[1] and of the sections devoted to the west in both Porter and Clement[2] is enough to illustrate the fact that too often writers on the west lapse into lyrical but totally unsubstantiated folklore. For example, Newman: "There's hardly anybody still important in Vancouver whose own experience, or at least that of his father or grandfather, didn't encompass the actual hard work of his trade. Men who started out in the bush by buying a saw and went on from there."[3] Newman goes on to contrast the west to the east where "the men who count have usually been removed for three or four generations from the actual labour on which their wealth is based."[4] Clement too falls prey to conventional wisdoms about the west. He has a confused five-page thumbnail sketch of the frontier province in which he reaches similar conclusions to Newman, adding only a semi-Marxist gloss to the prose. He too draws a contrast between the brash, new west and the staid, old east. He suggests that there is a "high degree of similarity between the Centre and the East, based on the older established class structure of those two regions."[5] The west, on the other hand, "as an immigrant society, did not have a rigid class structure relative to other parts of Canada."[6] Both

Newman and Clement imply that the west has a less mature, less rigid and more mobile class structure than the rest of Canada. Yet Porter gives no concrete evidence to support his claims and Clement's evidence runs directly counter to my own. In fact, Newman appears to be blind to some of the implications of his own data on British Columbia. Information which Newman himself includes in his Vancouver section would, if he examined it more closely, give him pause for thought.

For example, of the 37 individuals mentioned by Newman in his potted B.C. biographies,[7] 15 of them, a goodly proportion, directly inherited their wealth or came from wealthy, well established families. Using only information supplied by Newman in his book, we can confirm this finding. Ian Barclay, one of Newman's 37, was the son of a Montreal judge; Clark Bentall inherited his position from his father; W. Thomas Brown is the latest in a long line; Ronald Cliff's wife's father was former chairman of Pacific Press;[8] Graham Dawson inherited the family construction firm; Thomas Ladner, Newman tells us, is the son of Leon Ladner, who read law with Sir Charles Hubbert Tupper and became one of John Diefenbaker's closest confidants;[9] Victor MacLean is a "grandson of Robert Kelly, one of the founders of Kelly Douglas";[10] Allan McGavin was educated at Upper Canada College; George McKeen is the "son of the late Liberal senator, Stanley McKeen, and inherited a tug and barge fleet

and industrial holdings;"[11] John Nichol is, according to Newman, "a rich man's son, a Lieutenant-Governor's grandson";[12] Forrest Rogers is the fourth son of B.C. Sugar's founder, B. T. Rogers; his nephew, Peter Cherniavsky, is president and managing director of B.C. Sugar; Austin G. E. Taylor is "son of the Vancouver financier, rancher, and horseman, Austin C. Taylor (millionaire); Charles Namby Wynn Woodward is the grandson of the department store founder";[13] and finally, W. Maurice Young "helped to build the tractor and machinery distributorship of his father-in-law."[14] All descriptions given are those employed by Newman in *The Canadian Establishment*. In addition, Newman mentions by way of contrast James Pattison who, he says, is very much outside the establishment in B.C., and adds by way of an explanation that his "father worked as a door-to-door piano tuner,"[15] thereby seeming to give unintentional support to the idea of high social origins being a prerequisite for elite entry. Where are the men who "started out in the bush and went on from there?" One final point on Newman. Later, when listing the multi-millionaires of Canada, he mentions under the $50 million heading the Woodward family of Vancouver, and in the $20 million group he mentions the Bentalls, the Dawsons, the Keevils, the MacMillans and the Rogers,[16] all families from the province of British Columbia whose wealth, for the most part, is second and third generation. Thus again Newman gives unintentional support to a very different

view of B.C. business elites. Yet he is still able to write:

> Because of British Columbia's relative newness, fewer power centres are formed around established wealth. Individual clout tends to be transitory. . . . An Establishment certainly exists but entry is not very difficult and upward mobility can be rapid.[17]

5.2 Clement

Turning to Clement, he makes a very rough comparison between three regions in Canada: the west, the centre and the east. He analyzes the class origins of members of the elite born in these three regions, thereby determining (he believes) the extent of differential class recruitment within each region. He finds that the centre (Ontario and Quebec) have 62.7% of their corporate elite born in the upper class, the Maritimers are next with 59.3%, and the west has the lowest proportion, 50%.[18] There is therefore a difference in elite recruitment between the west and the east centre of 12.7%. It is important to note however that the west for Clement consists not only of the province of British Columbia, but also the provinces of Alberta, Saskatchewan and Manitoba. Hidden within these lump percentages could be differences in class recruitment between the Prairies and Canada west of the Rockies. Clement's analysis is therefore clumsy and inconclusive in terms of British Columbia's class recruitment.

5.3 Kerin

My own specific data about British Columbia refute Clement's assertions about the west. Using data collected on career patterns and private schooling as indices of elite recruitment (class origin is not used as an index of recruitment as in many cases reliable data as to the family background, and more especially the occupation of the elite member's father, were not available and inference from existing data was considered highly susceptible to misinterpretation), it would appear that there are grounds for a thorough reappraisal of the conventional wisdoms about British Columbia. As has been demonstrated in other sections, B.C. elites are drawn from as narrow a group as the rest of Canada. If we examine comparable data on (1) inherited wealth and position, and (2) private schooling this will become clearer (see Tables XV and XVI).

TABLE XV. MAIN AVENUE OF ACCESS TO THE SOCIO-ECONOMIC ELITE: CAREER IN FAMILY FIRMS (A CANADIAN COMPARISON)

Porter (Canada), 1951	16.8%	(103)
Clement (Canada), 1972	18.8%	(133)
Kerin (B.C.), 1976	30.4%	(14)

TABLE XVI. ATTENDANCE AT PRIVATE SCHOOLS: THE SOCIO-ECONOMIC ELITE (A CANADIAN COMPARISON)

Porter (Canada), 1951	34.2%	(209)
Clement (Canada), 1972	39.8%	(267)
Kerin (B.C.), 1976	52.1%	(24)

These two sets of figures indicate that there needs to be substantially more research into provincial economic elites and that B.C. social scientists should not be satisfied with the conclusions of either national studies or studies which simply break down Canada into three massive blocs--centre, east and west.

Footnotes

[1]Newman, op. cit.

[2]Porter, op. cit., and Clement, op. cit.

[3]Newman, op. cit., p. 262.

[4]Ibid.

[5]Clement, op. cit., p. 225.

[6]Ibid.

[7]Newman, op. cit., pp. 268-276.

[8]Ibid., p. 268.

[9]Ibid., p. 270.

[10]Ibid.

[11]Ibid., p. 271.

[12]Ibid.

[13]Ibid., p. 275.

[14]Ibid.

[15]Ibid., p. 271.

[16]Ibid., p. 338.

[17]Ibid., p. 264.

[18]Clement, op. cit., p. 225.

CHAPTER VI

CONCLUSION

Before the yawning fissures in knowledge can be bridged, before a number of Porter's important positions can be accepted a great deal of careful research must be undertaken. Without that support *The Vertical Mosaic* exhibits far too many faults in design and workmanship for it to be transferred to tablets of stone.

Edwin Black, "The Fractured Mosaic," 1974.

We set out to examine the validity of three main views of the structure of power in western industrialized societies; the Marxist, the elitist and the pluralist. The weight of the evidence presented in Chapters II, III and IV goes against the conventional wisdoms of the pluralists and in favour of a Marxist viewpoint, albeit a more sophisticated and modified version of the usual caricature, which sees the economic elite exercising power directly through the occupation of political office. We have also found that the elitist view of the distribution of power is unsuited to the situation in British Columbia. The province is not a society in which there is no ruling class but a political elite which is all powerful (the elitist society), for the political elite is scattered and fragmented and therefore in no position to be all powerful. Nor is British Columbia a society in which no cohesive or enduring group of powerful individuals and families seems to be discoverable at all (the pluralist society). We have seen that members of the socio-economic elite are a cohesive and enduring group. The conclusion we have reached is that British Columbia most closely resembles a society in which a ruling class and at the same time elites which represent particular aspects of its interests are in a position to rule (the Marxist society).

What is this sophisticated and modified version of the usual Marxist caricature? The question we posed for Marxist theory in the first chapter was the need to specify in

systematic fashion the modes whereby the economic hegemony of the capitalist class is translated into the political dominance of a ruling class, that is the problem of the mediation of political power. We saw in Chapter III that the vulgar Marxist formulation, that the dominant economic class rules politically by the direct occupation of political office, is incorrect. Rather we have seen that members of the economic elite are able to mediate their power through the dominance of their ideology, through their great internal cohesion and strength and through their occupation of the metropolis, as well as through their ownership of large amounts of capital and property. We have added to basic Marxist formulations and produced a more detailed and more sophisticated account of the structure of power in British Columbia. In doing so we have borrowed from various neo-Marxist schools. By pointing to the importance of corporate ideology and consciousness we have acknowledged the important conclusions to the power made by such writers as Marcuse, by indicating the significance of the metropolitan/hinterland cleavage we have given some weight to the formulations of Canadian writers such as Davis and other writers concerned with dependency and underdevelopment and in emphasizing the solidarity and cemented nature of the economic elite we have taken note of the contributions of such writers as Miliband who are interested in the sociology of the capitalist class.

As Chapter V has demonstrated, there is obviously a need for a great deal of further research on the structure of power in Canada. Such research could employ a variety of theoretical approaches. Three types of studies are particularly needed:

1. Longitudinal studies of political and economic elites. These would be of great value in attempting to plot social, economic and political change.
2. Provincial studies which would attempt to search out differences and similarities between the provinces. Are the Prairie provinces significantly different in social and political structure from British Columbia or Ontario? Are there affinities between the two hinterland areas of British Columbia and the Maritime provinces? The national studies of Porter and Clement have laid the groundwork for such studies and this thesis has led to a questioning of some of their assumptions in relation to the province of B.C. Students now have to apply their own theories and results to their own provincial power structures.
3. Studies of non-indigenous power in British Columbia are needed in order to complete the missing quantities in the equation of power we spoke of in Chapter I.

Further studies could be conducted using a variety of methodologies bearing in mind the shortcomings of each. Instead of selecting elites on the basis of position, future

studies may employ the community power theorists' criteria of "reputation" or rather than focusing on power structures other researchers may prefer to use a decision-making, issue-centred approach of the pluralists. In such a way many dimensions of power can be sketched and a more detailed drawing of the structure of power in the province would result.

It must be borne in mind, however, that until more data on political and economic elites are made available, the lack of consistent, reliable information will remain a problem. It would, for example, have been a great advantage to have had a Public Disclosures Act that applied to federally as well as provincially elected figures or it may have been beneficial to have been able to interview the corporate figures in my sample, but without the social and economic connections of a journalist such as Newman, such interviews are difficult to secure.

In conclusion, this thesis it is hoped will awaken the curiosity of other students in the structure of power in their provinces. Such curiosity once awakened may turn to interest, such interest to research, for by studying the powerful we not only increase our knowledge about those who rule us but we also become aware of our own inability to exercise power.

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APPENDIX 1

THE POLITICAL ELITE consists of 105 individuals. These were: all Members of the Legislative Assembly of British Columbia as of 12th December 1975, all federal Members of Parliament representing B.C. constituencies; the provincial Chief Justices (Appeal Court only); all provincial deputy ministers and the Lieutenant-Governor of the province.

THE ECONOMIC ELITE was compiled in the following way: A list of the 29 corporations who employed more than 500 people were taken from the *British Columbia Manufacturers Directory* (1975). Of the 29, 18 were listed in *The Financial Post Directory of Directors* as among the directors of the most important corporations in Canada. The provincially resident directors were selected from the directory, along with the provincially resident directors of the 10 chartered banks in Canada and the 10 largest insurance companies. This yielded a total of 93 individuals who compose the economic elite.

THE SOCIO-ECONOMIC ELITE A subgroup of 46 within the economic elite was distinguished and referred to as the socio-economic elite. The members of this latter elite differ from their colleagues in that they are listed in the major social registers: *Who's Who in Canada*, *The Canadian Who's Who* and *Who's Who in B.C.*

APPENDIX 2

Code No.	Name	Code No.	Name
ECONOMIC ELITE			
001	Warren Gayle	025	Gordon Southam
002	R.F. Patterson	026	George Ross
003	J.A. Robinson	027	Howard B. Urquart
004	J.A Robson	028	Ross Douglas
005	A.G. Armstrong	029	Peter Sloan
006	C.M. Edward	030	J.V. Christensen
007	J.B. Jarvis	031	Pit U. Desjardins
008	J.E. Liersch	032	Thomas E. Buell
009	V. Brown	033	Bryce P Page
010	A. Fabro	034	Peter Steen
011	Arthur Draper	035	J.G. Berry
012	R. White	036	R.W. Hassard
013	Ogawa Ichiro	037	Leonard A Mitten
014	Toshio Ebimoto	038	Peter A. Cherniavsky
015	Ken Takaya	039	R T. Cunningham
016	Wallace Haughan	040	Coleman Hall
017	Richard Hubber Richard	041	Russell J Bennett
018	Victor Maclean	042	Alfred William Everett
019	John Nichol	043	G. Buchan McIntosh
020	Raymond Herron	044	Patrick M. Reynolds
021	Russell Fawcett	045	Douglas MacKenzie Brown
022	J. Douglas Goforth	046	W.M. Anderson
023	Howard E. Cadinha	047	Dr. John Leishman
024	A.B. Christopher		
SOCIO-ECONOMIC ELITE			
048	John G. Prentice	069	J.E. Richardson
049	L.L.G. Bentley	070	Thomas E. Ladner
050	Peter J.G Bentley	071	Carl E. Dalgas
051	John Ronald Longstaffe	072	Forest Rogers
052	James Sinclair	073	H. Richard Whittall
053	John R. Nicholson	074	Thomas G. Rust
054	Robert G. Rogers	075	David L. McInnes
055	Roger T. Hager	076	Allan M. McGavin
056	Ross J. Turner	077	J. Bruce Smith
057	F. Cameron Wilkinson	078	W.C. Mearns
058	H. Clark Bentall	079	Donald M Clark
059	Robert G. Bentall	080	Harold B. Elworthy
060	Edgar F. Kaiser	081	Albert E. Hall
061	Graham R. Dawson	082	A.H. Mitchell
062	Edward D.H. Wilkinson	083	Charles N. Woodward
063	George B. Currie	084	Ian A. Barclay
064	D.W. Timmis	085	P.R. Sandwell
065	John C. Hemmingsen	086	F.W. Burnett
066	John V. Clyne	087	T.W. Pilley
067	George H.D. Hobbs	088	W. Thomas Brown
068	James Norman Hyland	089	Thomas A. Dohm

Code No.	Name
Socio-economic Elite (contd.)	
090	Arthur Fouks
091	Peter Paul Saunders
092	John A. Ellis
093	Thomas H. McClelland

POLITICAL ELITE

094	Walter Owen	Lieutenant-Governor	
095	Charles Barber	MLA	NDP
096	Emery Barnes	MLA	NDP
097	Robert S. Bawlf	MLA	SC
098	Leonard Bawtree	MLA	SC
099	William Bennett	Premier	
100	Rosemary Brown	MLA	NDP
101	Frank Calder	MLA	SC
102	James R. Chabot	MLA	SC
103	Dennis Cocke	MLA	NDP
104	Hugh Curtis	MLA	SC
105	Eileen Dailly	MLA	NDP
106	Walter Davidson	MLA	SC
107	Jack Davis	MLA	SC
108	Christopher D'Arcy	MLA	NDP
109	Alexander Fraser	MLA	SC
110	Garde Gardom	MLA	SC
111	Gordon Gibson	MLA	Lib.
112	George Haddad	MLA	SC
113	James Hewitt	MLA	SC
114	Pat Jordan	MLA	SC
115	Lyle Kahl	MLA	SC
116	Joseph Kempf	MLA	SC
117	George Kerster	MLA	SC
118	William King	MLA	NDP
119	Gary V. Lauk	MLA	NDP
120	Graham Lea	MLA	NDP
121	Norman Levi	MLA	NDP
122	Howard Lloyd	MLA	SC
123	Donald Lockstead	MLA	NDP
124	Raymond Loewen	MLA	SC
125	Alexander MacDonald	MLA	NDP
126	Grace McCarthy	MLA	SC
127	Robert McClelland	MLA	SC
128	Patrick McGeer	MLA	SC
129	George Mussallem	MLA	SC
130	Kenneth Rafe Mair	MLA	SC
131	Lorne Nicholson	MLA	NDP
132	James Neilsen	MLA	SC

Code No.	Name		
Political Elite (contd.)			
133	Donald Phillips	MLA	SC
134	Charles Rogers	MLA	SC
135	Karen Sandford	MLA	NDP
136	Harvey Schroeder	MLA	SC
137	Cyril Shelford	MLA	SC
138	Robert Skelly	MLA	NDP
139	Dean Smith	MLA	SC
140	William Strongman	MLA	SC
141	David Stupich	MLA	NDP
142	William Vander Zalm	MLA	SC
143	Elwood Veitch	MLA	SC
144	Barbara Wallace	MLA	NDP
145	George Scott Wallace	MLA	Con.
146	Thomas Waterland	MLA	SC
147	Louis Williams	MLA	SC
148	Robert Williams	MLA	NDP
149	Evan Wolfe	MLA	SC
150	Jacob Austin	Senator	
151	Ann E. Haddon-Bell	Senator	
152	Edward M. Lawson	Senator	
153	Raymond Perrault	Senator	
154	George Van Roggen	Senator	
155	Guy Williams	Senator	
156	Hugh Anderson	MP	
157	Ron Basford	MP	
158	Robert Brisco	MP	
159	Iono Campagnolo	MP	
160	William Clark	MP	
161	Thomas Douglas	MP	
162	John Fraser	MP	
163	Simma Holt	MP	
164	Arthur Huntington	MP	
165	Howard Johnson	MP	
166	Arthur Lee	MP	
167	Stuart Leggatt	MP	
168	Leonard Marchand	MP	
169	Allan McKinnon	MP	
170	Donald Munro	MP	
171	Frank Oberle	MP	
172	Alexander Patterson	MP	
173	Mark Raines	MP	
174	John Reynolds	MP	
175	Robert Wenman	MP	
176	George Whittaker	MP	
177	John Lauchlan Farris	Chief Justice	
178	Ernest Bull	Justice	
179	Meredith McFarlane	Justice	

Code No.	Name	
Political Elite (contd.)		
180	Alexander Robertson	Justice
181	Peter Seaton	Justice
182	Alexander Carrothers	Justice
183	Hugh Maclean	Justice
184	Angelo Branca	Justice
185	John Taggart	Deputy Minister
186	William McIntyre	Deputy Minister
187	James T. Fyles	Deputy Minister
188	James G. Matkin	Deputy Minister
189	John Noble	Deputy Minister
190	R.G. Harvey	Deputy Minister
191	Dr. Walter Hardwick	Deputy Minister
192	Wayne Currie	Deputy Minister
193	Lawrence J. Wallace	Deputy Minister
194	James W. Mainguy	Deputy Minister
195	B.E. Marr	Deputy Minister
196	Alexander L. Peel	Deputy Minister
197	David Herbert Vickers	Deputy Minister
198	Tex Enemark	Deputy Minister
199	Sigurd Petersen	Deputy Minister

APPENDIX 3

DOMINANT CORPORATIONS IN BRITISH COLUMBIA

1000+ Employees

1. B.C. Forest Products
2. Canadian Industries Ltd.
3. Crestbrook Forest Products
4. Crown Zellerbach (Canada)
5. Dominion Construction
6. G.T.E. Lenkurt Electric
7. Kaiser Resources
8. MacMillan Bloedel
9. Ocean Cement
10. Rayonier Canada
11. Robert Morse Company
12. Tahsis Company
13. Weldwood Canada

500-999 Employees

14. Cassiar Asbestos Company
15. Dominion Bridge Company
16. Falconlock Company
17. Hawker Siddeley Canada
18. Weyerhauser Canada

SOURCE: *The B.C. Manufacturers Directory* (1975).

Note:- This list of dominant corporations covers only the manufacturing industries and does not include, for example, the service or retail sectors. Note also that although the B.C. Manufacturers Directory yields 29 dominant corporations, only 18 of these 29 had their full boards of directors listed in the *Financial Post Directory of Directors*. It would perhaps have been possible to obtain the names of directors of the 11 missing dominants from the annual reports of the corporations concerned, yet such reports would not include the other directorships of the individuals selected, whereas the *Financial Post Directory of Directors* lists this information.

APPENDIX 4

10 CHARTERED BANKS

Bank of British Columbia
Bank of Montreal
Bank of Nova Scotia
Banque Canadienne Nationale
Canadian Imperial Bank of Commerce
La Banque Provinciale du Canada
Mercantile Bank
Montreal and District Savings Bank
Royal Bank
Toronto Dominion Bank

10 LARGEST INSURANCE COMPANIES

Canada Life
Confederation Life
Crown Life
Great West Life
London Life
Manufacturer's Life
Metropolitan Life
Mutual Life
Prudential Life
Sun Life

SOURCE: Wallace Clement, *The Canadian Corporate Elite An Analysis of Economic Power* (Toronto: McClelland and Stewart, 1975).

APPENDIX 5

TABLE XVII. TOTAL SALES, ASSETS, NET INCOME AND NUMBER OF EMPLOYEES OF THE DOMINANT CORPORATIONS IN BRITISH COLUMBIA

No.	Rank	Sales $000	Assets $000	Net Income $000	Employees
1	82	273,426	368,791	15,888	5,290
2	39	594,908	390,226	42,638	8,639
3	388	44,596	656,847	- 1,927	---
4	78	296,362	290,149	13,270	6,100
5	214	100,000	N/A	N/A	1,500
6					
7	93	259,870	261,869	64,000	2,008
8	14	1,296,689	1,197,903	-18,943	23,206
9					
10	201	104,851	153,993	2,913	---
11					
12					
13	92	261,122	197,821	5,298	4,194
14	255	82,520	99,646	8,290	---
15	47	459,316	326,994	24,442	---
16					
17	62	365,234	282,207	10,348	7,931
18					

SOURCE: *Canadian Business*, July 1976.

APPENDIX 6

TABLE XVIII NUMBER OF B.C.-RESIDENT AND NON-B.C.-RESIDENT DIRECTORS OF THE 18 DOMINANT CORPORATIONS IN B.C.

Corporation	Directors	
	Total	B.C. Residents
B.C. Forest Products	13	13
Canadian Industries Ltd.	12	1
Crestbrook Forest Industries	12	8
Crown Zellerbach (Canada)	11	8
Dominion Construction	3	2
G.T.E. Lenkurt Electric	7	3
Kaiser Resources	14	4
MacMillan Bloedel	16	9
Ocean Cement	5	1
Rayonier Canada	9	4
Robert Morse Co.	5	0
Tahsis Co.	9	2
Weldwood Canada	12	5
Cassiar Asbestos	14	2
Dominion Bridge Co.	15	0
Falcon Lock Co.	5	1
Hawker Siddeley Canada	13	1
Weyerhauser Canada	7	4
TOTAL	182	68

TABLE XIX NUMBER OF B.C.-RESIDENT AND NON-B.C.-RESIDENT DIRECTORS OF THE 10 CHARTERED BANKS

Bank	Directors	
	Total	B.C. Resident
Bank of British Columbia	18	17
Bank of Montreal	55	5
Bank of Nova Scotia	37	3
Banque Canadienne Nationale	24	0
Canadian Imperial Bank of Commerce	56	3
La Banque Provinciale du Canada	9	0
Mercantile Bank	15	2
Montreal and District Savings Bank	12	0
Royal Bank	47	4
Toronto Dominion Bank	40	2
TOTAL	313 (295)*	36 (19)*

*Number of directors excluding the Bank of British Columbia.

TABLE XX· NUMBER OF B.C.-RESIDENT AND NON-B.C.-RESIDENT DIRECTORS OF THE 10 LARGEST INSURANCE COMPANIES

Insurance Company	Directors	
	Total	B.C. Residents
Canada Life	19	1
Confederation Life	16	1
Crown Life	18	1
Great West Life	16	0
London Life	12	0
Manufacturer's Life	15	0
Metropolitan Life	3	0
Mutual Life	18	2
Prudential Life	4	0
Sun Life	21	1
TOTAL	142	6

SOURCE· Compiled from *The Financial Post Directory of Directors*, 1976.

VITA

Surname: KERIN Given Names: THERESA ANN

Place of Birth: BIRMINGHAM, ENGLAND

Date of Birth: MAY 9, 1953

Educational Institutions Attended,
with Dates of Entering and Leaving:

UNIVERSITY OF MANCHESTER, ENGLAND	1971	to 1974
UNIVERSITY OF VICTORIA, B.C.	1975	to 1977
	____	to ____

Degrees, Diplomas, Etc., Awarded,
with Dates and Names of Institutions:

B.A. (Joint Honours) (Politics & Modern History)	1974	University of Manchester, England

Honours and Awards

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and 1976-77

Publications:

"The Situation of Immigrant Women in Victoria." Published by Status of Women, Victoria, 1976 (Co-authored by L. Tolelkis).

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6th October, 1977

Date