

Coming of Age

(Chapters 10 and 11)

Introduction

In the twenty years between the end of World War I and the beginning of World War II, Canadians experienced both unprecedented wealth in the Roaring Twenties and dreadful poverty during the Great Depression. As a result of these wide swings in the economy, the Canadian government came to play a far more active role in society. New political parties such as the Cooperative Commonwealth Federation and the Social Credit Party also emerged to broaden the Canadian political spectrum. In many ways, the two decades between the wars were formative years for Canada. Women came to play a more active role in society and Canada made enormous strides toward establishing complete independence.

This chapter examines Prime Minister Mackenzie King's efforts to establish Canadian autonomy and various political efforts to end the Depression of the 1930s. As well, it delves into the underlying problems that led to the collapse of the stock market in 1929 and the Depression that lasted throughout the next decade that only ended with the outbreak of the Second World War in 1939.

Story Outline for Chapters 10-11: Prosperity and Depression

THE STORY	THE DETAILS	TERMS & PEOPLE
<p><i>Not unlike Wilfrid Laurier, Mackenzie King placed Canadian unity above all other political goals.</i></p>	<p>Page 185: The Age of Mackenzie King 1). Mackenzie King succeeded Wilfrid Laurier as the leader of the Liberal Party of Canada.</p>	<p>Mackenzie King: was the grandson of William Lyon Mackenzie. He is the longest serving prime minister in Canada's history. He was bent on keeping Canada out of any future European conflicts.</p>
<p><i>During the 1920s Canada received the legal recognition of its independence from Great Britain.</i></p>	<p>Page 185-186: Autonomy from Britain 1). In 1921, Prime Minister King attended the Imperial Conference. 2). In 1926 the British Empire disappears to become the British Commonwealth. 3). In 1931, the British Parliament passed the Statute of Westminster.</p>	<p>Imperial Conference: a meeting of prime ministers of the dominions of the British Empire held in London. The conference was notable because out of it came the assertion that the dominions were all equal in status and were no longer subordinate to Britain.</p> <p>British Commonwealth: an association of nations consisting of the United Kingdom and several former British colonies that are now sovereign and independent states.</p> <p>Statute of Westminster: an act of government that legally established the independence of the dominions of the British Commonwealth.</p>
<p><i>The two decades after World War I were marked by economic upswings and downturns.</i></p>	<p>Page 186-187: The Postwar Years 1). Workers who had their right to strike in order to fight for better pay and working conditions. 2). After the war workers renewed their demands for protection but Borden did not act. 3). Rising prices for food and clothing encouraged men to join labour unions to press employers for better wages. 4). By 1919 there were more than 420 strikes in Canada.</p>	<p>Labour Unions: an organization of workers who have banded together to achieve common goals in key areas and working conditions.</p>
<p><i>Labour unrest came to a head in Winnipeg during a six week general strike in 1919.</i></p>	<p>Page 186-187: Winnipeg General Strike 1). Many business and political elites look at the general strike in Winnipeg as a communist revolution. 2). The strike ended on "Bloody Saturday" on June 21, 1919. 3). The labour union movement in Canada went into decline due to a variety of factors, e.g. Black listing, imprisonment, intimidation.</p>	<p>General Strike: also known as a collective strike; a strike of workers from various industries taking place at the exact same time.</p> <p>"Bloody Saturday": mayor of Winnipeg called in the RCMP to break the strike</p>

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<p><i>The 1920s began with a recession; however, by the middle of the 20s the economy of Canada was booming.</i></p>	<p>Page 188-190: The Bubble of Prosperity</p> <ol style="list-style-type: none"> 1). Canada's raw resources were again in demand from the world fuelling an economic resurgence. 2). More people had more wealth and started to cut loose and the 1920s became known as the "Roaring 20s". 3). Many people made a lot of money on the stock market. 	<p>2:1 Standard: England had constructed enough ships so that it was capable of fighting any two European powers at the same time.</p>
<p><i>The good times were not spread evenly across Canada. Prosperity came to central Canada and to city dwellers, but even Canadian cities were populated by both rich and the poor, e.g. Not everyone shared equally in the benefits of economic growth.</i></p>	<p>Page 190: The Not-So-Good-Times</p> <ol style="list-style-type: none"> 1). Women and new immigrants suffered most of all from low wages and often deplorable working conditions. 2). Farmers on the prairies made huge profits because the world demand for Canadian wheat was at an all time high throughout the 1920s. Farmers upgraded their equipment and went heavily into debt believing their profits would be maintained. 3). The demand for Nova Scotia's coal went into decline with the end of the war (which led to unemployment). 	
<p><i>The stock markets offered people a quick and easy way to earn a lot of money quickly. Unfortunately, too many people borrowed money to invest in the market. And when the market collapsed people lost all their savings and still had to pay off their debts.</i></p>	<p>Page 191-196: The Great Depression</p> <ol style="list-style-type: none"> 1). In October (1929) the stock market in New York city crashed setting off a series of events. 2). Stocks became worth less than the paper they were printed upon as investors tried to sell. 3). Because of the central role of the American economy in the world the Great Depression was a global economic disaster. 4). America was Canada's largest trading partner. When the depression hit Americans quit buying Canadian products (which led to unemployment here and cuts in production). 5). One-third of all Canadians worked in farming at the time. When the depression hit they quit purchasing new farm equipment. 6). Farm equipment manufacturers cut back on production and laid people off of work. 7). The nations of the world erected trade barriers (tariff walls) to protect their local industries against international competition. 8). Banks refused to loan money because of the uncertain economic times. 9). In the beginning, Prime Minister Mackenzie King was not concerned about the "recession" because he believed it to be part of a normal business cycle. 10). Therefore the federal government did not try to alleviate the effects of unemployment, etc. 	<p>Stock Market Crash: the incentive to purchase stocks is this: you invest money in a company and if that company makes a profit you share in that profit. When the market crashed the world's financial systems proved incapable of dealing with the problem.</p> <p>Great Depression: caused by a massive drop in consumer spending, production, and consumer confidence, etc. the economic problems affecting the United States touched off similar difficulties world-wide.</p> <p>Depression: in economics, a depression is a sustained, long-term downturn in economic activity in one or more economies. It is a more severe downturn than a recession, which is seen as part of a normal business cycle.</p>

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<p><i>The governing philosophy of the day was "hands off." The government (usually occupied by members of a wealthy elite) believed that people should make their own way and refused to use government resources to mitigate the negative effects of the Great Depression.</i></p>	<p>Page 195-200: Bennet & the Depression</p> <ol style="list-style-type: none"> 1). King was defeated in the 1930 election by R. B. Bennett's Conservative Party. 2). Bennett told Canadians to be patient and the economy will correct itself. 3). Bennett believed in laissez-faire economics. 4). The prairie provinces were the worst hit by the Great Depression. 5). In addition to depression, the prairies were hit by a protracted drought which came to be known as the Dirty Thirties. 6). By 1933 one-third of all Canadians were out of work. Bennett's government eventually gave provincial governments money to pay a sort of unemployment insurance which people called the pogey. 7). Unemployed men "rode the rails" moving around the country looking for work. 8). The government built relief camps for these unemployed men to work in order to keep them off the streets and out of trouble. 9). The men in the camps grew weary of the tedious labour and organized the On to Ottawa Trek. 10). The "Trek" ended in riots and bloodshed in Regina as Bennett ordered the RCMP to disperse the trekkers. 11). Many Canadians did not approve of Bennett's heavy-handed tactics against the trekkers. 	<p>R. B. Bennett: the prime minister forced to deal with the first five years of the Great Depression. He proved to be incapable of doing anything to correct the problem.</p> <p>Laissez-faire Economics: the term literally means "hands off" and was the governing economic philosophy of governing elites of Britain, Canada and the United States; it basically meant that the government refused to intervene in the nation's economy and preferred to allow the problem to "correct itself" without the meddling of government.</p> <p>Dirty Thirties: farming practices had exhausted the soil and a sustained drought hit the prairies in the 1930s. The "dirty" 30s were a time of sustained drought and the name was reflected the common occurrence of bone dry dirt being blown around in swirling black clouds.</p> <p>On to Ottawa Trek: a trip planned by unemployed labourers to take their concerns directly to the federal government in Ottawa.</p>
<p><i>Socialist political parties became more popular among Canadians. These parties promised to intervene in the economy because the old way of doing things represented by the Liberals and Conservatives simply did not work.</i></p>	<p>Page 201-202: The Rise of New Parties</p> <ol style="list-style-type: none"> 1). Canadians looked for alternative political parties because the Liberals and Conservatives appeared to be incapable of getting the country out of the depression. 2). The small but active Communist Party (led by Tim Buck) attracted unemployed workers. 3). The Communist Party was outlawed because it allegedly wanted to overthrow the federal government. 4). A socialist party called the Cooperative Commonwealth Federation (CCF) became popular because they promised to put an end to laissez faire economics and to introduce socialism. 	<p>Communist Party: communists are basically socialists in a hurry who want to change the system through revolution.</p> <p>Socialism: a political philosophy that emphasizes direct assistance, support and help from the government to the people.</p> <p>CCF: the NDP eventually emerged out of this party.</p>

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<p><i>The Great Depression in Canada only ended with the outbreak of World War II. Factories opened again employing people to produce weapons of war.</i></p>	<p>Page 203-204: Bennett's "New Deal"</p> <ol style="list-style-type: none"> 1). Bennett surprised everyone in 1935 that he planned to end laissez-faire economics and use the government intervene and regulate the economy. 2). Bennett's promise became known as Bennett's New Deal. 3). Bennett's ideas were too radical for some Canadians so Mackenzie King's Liberals were swept back into power in 1935. 4). King brought back laissez-faire economic practices; however, he eventually arrived at the opinion that the government might be the only institution capable of stimulating the economy again. <p>*Note: more and more Canadians began to believe that there was a need for government management of the economy.</p>	<p>Regulate: throughout much of the 19th Century governments avoiding regulating (passing laws) the laws, i.e. Minimum wage law, maximum hours legislation, etc. Regulations reduce the negative impact of a laissez-faire economic system on people by providing them certain protections under law and compelling businesses to end exploitive employment practices. For instance, through regulation (laws) government can prevent businesses from "price fixing" their products so that they make massive profits on products people need to survive.</p> <p>Bennett's New Deal: the promises included a government supported unemployment insurance program, a minimum wage, a limit on work hours, insurance against sickness, worker protection from employers, organizations to help farmers, and a trade commission to stop price-fixing by businesses.</p>
<p><i>People were beginning to talk about the need for government management of the economy. Many Canadians were also thinking about the need for broad new social welfare programs. After World War II, government would be ready to take a strong hand in Canadian economic life.</i></p>		
<p><i>Canada's First Nations people experienced continued discrimination and poverty following World War I. Native peoples were expected to give up their cultural heritage and enter "white" society.</i></p>	<p>Page 221: Canada's Native Peoples</p> <ol style="list-style-type: none"> 1). Native peoples were viewed as wards or dependants of the Government of Canada. 2). Federal and provincial governments banned certain cultural practices like the potlatch and sun dance. 3). First Nations youth were taken from their families and forced to live in residential schools. 4). Government interference made it difficult for the cultures of various First Nations to survive. 5). The League of Indians was organized by Mohawk Chief F.O. Loft to bring attention to the plight and poverty of natives and fight for their cultural survival. 	<p>Potlatch: a ceremony in which an individual gives away all or destroys their possessions to show their wealth and generosity.</p> <p>Sun Dance: a three to four day ritual of penitence and sacrifice.</p> <p>Residential Schools: in an attempt to assimilate First Nations people fully into "white" society their children were taken and educated in Euro-Canadian ways.</p> <p>League of Indians: an organization that fought for the native right to vote in elections.</p>