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Paper presented at the 13<sup>th</sup> International Karl Polanyi Conference, "The Enduring Legacy of Karl Polanyi," Concordia University, 6-8 November 2014

***The Penetrative Powers of the Price System and a New Stage of Resource Extraction in Québec***

The recent dramatic increase in Canadian economy's reliance on the bitumen resource industry has prompted another revisiting of Harold Innis' work, primarily his economic texts. Bearing in mind that Innis' work has been neglected in studies of Quebec (cf. Daniel Salée, "Innis and Québec: the Paradigm that Would Not Be" (1999), Alain-G. Gagnon and Sarah Fortin, "Innis in Québec: Conjectures and Conjunctures" (1999), this paper will turn to another example of major resource extraction development in Canada, the *Plan Nord* drafted by the Charest government in 2011-2012 and adopted with minor adjustments by the Parti Québécois government of Pauline Marois. Using Innis' 1938 address to the Canadian Political Science and Historical Associations, *The Penetrative Powers of the Price System*, this paper will argue that while the *Plan Nord* was presented by the Charest government as a bold and original initiative, its form and promotion have in fact been highly predictable according to Innis' thought. This analysis will also be informed by a related text, Karl Polanyi's *The Great Transformation*.

The *Plan Nord* is an economic development plan covering the whole of Quebec north of the 49<sup>th</sup> parallel and extending over 25 years. It is described by the provincial government as:

a model of sustainable development that reconciles social and economic development and environmental protection... seeking to attract qualified workers and investments, open up new markets to Québec entrepreneurs, broaden cooperation in fields such as the environment, sustainable development and scientific research, and promote Québec's culture. ("A Shared Perspective")

While the Plan is promoted as "sustainable" development, including initiatives to improve education, job training, community development and environmental protection in the region, the bulk of the funding made available will be used for the construction of transportation infrastructure (Schepper 2012). This infrastructure will not be developed primarily around existing communities. Rather, the Plan promises to emphasize "transportation infrastructure

projects that provide access to the territories with the greatest economic potential” (“Transportation and Communication”). The “Economic Potential” of the region is grouped under six categories: energy, mineral, forest, and wildlife resources, tourism potential, and potential for bio-food development (“Highlights,” 14-17).

It is fair to say that by far the greatest focus of the Plan is on resource extraction; in addition, while it is promised that 50% of the land covered by the Plan will be designated as protected, it is unclear what shape this protection will take as it will not forbid mining and oil exploitation or tourism development (Squires 2012). Critiques of the Plan have focused on the investment of large amounts of public money to develop infrastructure almost exclusively serving private industry, and the low level of expected returns from industry in the form of co-investment, fees and royalties. A relatively modest \$2 billion will come directly from the state over the lifetime of the Plan, but Hydro-Québec, a state-owned enterprise, will invest \$47 billion, and the Caisse de dépôt, the investment fund for Quebec pensions, pledged to invest an undetermined amount (Schepper 2012). In Fall of 2012 *Le Devoir* reported on “un précédent des plus intéressants pour le développement des infrastructures sur le territoire du Plan Nord” in the extension of Route 167, a northern highway leading to a new diamond mine. Although not officially part of the *Plan Nord*, the project is positioned as embodying many of its much-criticized qualities: the government of Quebec is paying 85% of the \$332 million cost, and also proposes building an electrical line to the mine. No existing community will be served, although a controversial uranium mine may also use the road if it is eventually developed (Shields 2012). A number of indigenous groups in Quebec’s North have also stated their opposition to the Plan (Squires 2012).

In *The Penetrative Powers of the Price System*, Innis argues that the price system has consistently spread and developed over time, quoting Adam Smith’s claim that it broke down feudalism and colonialism in the process (1938: 301). Innis recounts various stages in this process, eventually coming to the specific history of Canada emerging from colonial resource extraction into a post-colonial nationalism. This phenomenon of transition driven by the price system continued in the shift from “paleotechnic society” based on coal and iron, and “neotechnic society” based on electricity and lighter commodities. The purpose and ideology of government and mass media, Innis argues, has also been shaped by this process.

This model of Canada’s *longue durée* shows the Charest government to have been slavishly following, rather than boldly leading the development of, the price system in Canada. Although highly relevant as an economic theory developed in and applied to the Canadian context, *Penetrative Powers* is elliptical and sometimes obscure, even for Innis. Therefore, a comparison with Polanyi’s *Great Transformation* (2007) is both useful and illuminating. This work is also concerned with the power of markets to reshape society, and the forces that dictate an ever greater subordination of all aspects of society to the economic. Polanyi’s work goes into more detail about this mechanism: the negative effects of markets on society result from the conversion of land, labour and money into “fictitious commodities,” putting people and their environmental context under the sole control of markets (75). Innis notes the

subordination of both human labour and land to the self-regulating market, mentioning many of the same phenomena as Polanyi:

The slave trade was finally abolished in the West Indies, the Reform Bills destroyed the power of vested interests in Parliament, the timber preferences were reduced, the Corn Laws repealed, the Navigation Acts abrogated, and responsible government established in the colonies. The free trade system in North America was extended by the Reciprocity Treaty with the United States. The abolition of slavery in the Civil War was an important landmark in the transition from status to contract. The disappearance of the East India Company was followed by the purchase of Rupert's Land from the Hudson's Bay Company. (304)

Polanyi, somewhat similarly, grounds *The Great Transformation* in an examination of the establishment of a market system in England from the enclosures to the nineteenth century industrial revolution. He argues that national markets, especially for the fictitious commodities, must be created and supported through state intervention. In particular, this intervention must reduce the risk of owners or investors by keeping the supply of inputs stable, and clear away social and cultural barriers to applying prices to both regular and fictitious commodities.

In Polanyi the repeal of the protectionist Corn Laws (198), the Reform Bills that brought an end to the political dominance of the landed classes in England (84), and the disintegration of the feudal systems in which labourers and the poor inhabited a social status entitled to assistance in hard times, rather than disposable contract labour, are part of a process of subordination of the social and political to self-regulating markets (71-73). Such a market society cannot function in the long term if contradictory forces keep land and labour from functioning fully as commodities. Polanyi cites the Speenhamland system, a minimum income or wage supports in place in most of England from 1795 to 1834, as an example of the social and economic havoc caused by such a contradictory approach. In Innis' work, the advance of self-regulating markets is also portrayed as inexorable once the process is in place (although by no means without a need for human intervention to open markets) and incompatible with the limiting forces of colonialism or mercantilism: "Nothing but freedom can secure trade" (Decker qtd. in Innis 1938: 303).

Polanyi also sheds light on Innis' mention of the role of indigenous peoples in Canada's development. In *The Penetrative Powers of the Price System*, Innis quotes Sir George Simpson's belief that the desire of indigenous peoples for European goods be encouraged, not for the market therein, but because "they would find it requisite to become more industrious and to turn their attention more seriously to the Chase in order to be able to provide themselves with such supplies" (304-305). Innis' inclusion of Duncan McGillivray's approval of rum as the "first inducement to industry" of first peoples of the prairies and Simpson's support for "the conversion of the Indians" suggest a symmetry between what Innis calls "the powerful influence of the commercial pull" (on culture) and Polanyi's assessment that to create a labour market "it was necessary to liquidate organic society, which refused to let the individual starve"

(Innis 304-305, Polanyi 173). European colonists arriving in pre-industrial societies had to “create an artificial food scarcity” or impose taxes, or the indigenous labour pool would not engage in menial labour at market wages (Polanyi 172). The quotes from McGillivray and Simpson exemplify this colonial mentality.

This forcible integration of indigenous peoples into the market is related to Innis’ assessment of the communications industries, in particular newspapers, which do not simply sell to an audience with pre-existing needs, but more importantly create a market, and its desire for goods. In the case of indigenous people however, Polanyi would note, the process is particularly brutal because colonized peoples have almost no chance of erecting barriers against the progress of the market and their incorporation tends to take place extremely quickly, amplifying the destructive effects on culture and lifeways (224). This began centuries ago in Canada, but according to Innis’ understanding of the Canadian *long durée*, the *Plan Nord* can be understood as another stage in the same process. The barriers to the market represented by lack of transportation and communication facilities, and remaining indigenous land rights, must be broken down. While indigenous title is not taken away, the endorsement of groups for the pre-existing plan is sought, or their opposition is ignored. While the promotion of the *Plan Nord* presents it as carefully planned and taking into account aboriginal communities, the opening of land resources and appeal to foreign investment at its heart is actually a natural outgrowth of the price mechanism and the recent increase in resource prices.

Innis’ vision of the canalization of Canadian development also illustrates the predictability of the Plan Nord, as well as its predictable outcomes. Although often cited as a determinist thinker, Innis could more accurately said to have studied the path-dependencies created by technological and economic changes, and the other factors that affected specific outcomes along these paths. In *The Penetrative Powers of the Price System* he applies this type of analysis specifically to Canadian development, and the *Plan Nord* can be seen as an outgrowth of the canalization of development created by successive colonial, commercial (or mercantilist), industrial and post-industrial economies. The form that each of these took was determined by its predecessor, *as well as* features unique to the geography, history and culture of the region:

Into the moulds of the commercial period, set by successive heavier and cheaper commodities, and determined by geographic factors, such as the St. Lawrence River and the Precambrian formation; by cultural considerations, such as the English and French languages; by technology, such as the canoe and the raft; by business organization, such as the North West Company and Liverpool timber firms; and by political institutions peculiar to France and England, were poured the rivers of iron and steel in the form of steamships and railways which hardened into modern capitalism. (Innis 305)

This canalization is most obvious at times of transition from one type of economy to another. The transportation and communication structures left by the earlier form are more permanent than changes in the price system, and old and new economic types come into conflict:

“Neotechnic industrialism superimposed on palaeotechnic industrialism involved changes of tremendous implication to modern society and brought strains of great severity” (Innis 310). An important manifestation of this strain is the tendency of government to step in and subsidize or favourably regulate industries of the earlier formation. In Innis’ time the federal government tended to support and subsidize paleotechnic industries, especially the railway:

The effects of government intervention have been less severe in regions dominated by neotechnical industrialism and enhanced in regions dominated by palaeotechnical industrialism. Wheat areas and coal and iron regions have been penalized. Adjustment by tariffs, railway rates, bounties, bankruptcy legislation, and other devices which characterized palaeotechnic industrialism has become inadequate and compelled the intervention on a large scale of monetary-devices. (Innis 310-311)

This is partly a result of a perceived need for the preservation of systems, but also because of rigidities in the functioning of government itself (Innis 310). Its intervention cannot be directed at new economic systems because pathways have not yet been developed. Taking Innis’ observations of the qualities of the old economic type as opposed to the new, the *Plan Nord* gives indications that the current structure of industry (neotechnic or otherwise) is retreating, and that the plan represents an intensification of government involvement as a result of this, as it did during an earlier transition in the 20<sup>th</sup> century.

A study of *The Penetrative Powers of the Price System*, despite Innis’ sometimes cryptic mode of expression, is worthwhile for its insights on Canadian economic development. Innis’ message is clarified when put into conversation with Karl Polanyi. A case study of the *Plan Nord* shows that Innis’ complex model of the path-dependency of economic development in Canada caused by the price system, while applied to a previous transition between two types of economy, is still relevant. In particular, this paper has argued that the discourse of control and prudent planning constructed around the *Plan Nord* by the Charest government was illusory. Like the federal government in Innis’ address, the Charest government was seeking through the *Plan Nord* to support a declining economic system and to gain politically from inevitable economic changes.

### **The Vicissitudes of the Plan Nord**

Since this paper was originally drafted in the Spring of 2012, the Plan Nord had undergone extensive transformation as evident in the 2014-15 budget speech of the newly-elected Liberal government, under the direction of Philippe Couillard (Government of Québec 2014). This new plan again shows the importance to the market economy of deliberate intervention to open up markets, in this case for land, or the natural resources it holds. Without the extensive intervention of the government of Quebec, the province's mineral and petroleum resources would not be commodifiable. In other words, they would have no market value, because they would not be accessible. The construction of infrastructure is therefore an unexplored aspect of the commodification of land the Polanyi describes as happening in early

modern England through the clearing of legal and cultural obstacles. Canadian geography, and the high value of natural resources in contrast to agricultural land in the current economy, bring this aspect to the fore in the case of the Plan Nord.

The new plans for Northern Quebec, through their concentration on the development of a new infrastructure for Liquefied Natural Gas, allow us to see the process of the creation of a new natural-resource market as it unfolds. The Quebec Liberal government's plans for LNG infrastructure may also contradict Innis' prediction that the state would work to support existing economic infrastructures in the face of technological changes, while the original Plan Nord did concentrate on supporting an already existing mining and forestry industry. The following section serves to bring together and explain details of the new northern plan, which are far more difficult to access and make sense of than the original heavily-promoted Plan Nord. We believe this contribution also illustrates a specific case of how Polanyi's contention that the state is essential in opening free markets plays out in the current post-industrial Canadian economy. This suggests that the creation of a market society is an ongoing event.

Rather than a blue print for development having having specific goals, timelines, budgets, and mode of operation, "Plan Nord 3.0" (as some are calling it), resembled more a set of general commitments and aspirations, for which the details had yet to be fully worked out. It was to be overseen by the Comité ministerial du Plan Nord, supported by a "Secretariat du Plan Nord." However, it was a newly formed government corporation that would do the heavy lifting for the re-launched initiative namely, "the Société du Plan Nord," which would operate under both the Minister of Energy and Natural Resources, as well as Minister responsible for the Plan Nord. This body, which would gradually take over responsibility for the implementation of Plan Nord, would be responsible for developing a strategic plan as well as the commitments for capital spending. At the outset, the government expenditures for "Plan Nord 3.0" were to be of a much more modest scale than those for the original Plan Nord, which had called for "more than C\$80 billion in public and private investments over a period of 25 years." By comparison, the body responsible for the finances of the initiative, namely the Northern Plan Fund, was to receive only \$63 million for the 2014-15 fiscal year and approximately C \$2 billion between 2014 and 2035. The fund was to be financed primarily by tax spinoffs generated by economic activity in the territory covered by the Plan Nord, particularly in mining, energy and infrastructure projects.

In effect, rather than working from an ambitious fixed plan, the new initiative would be one of starting with a few concrete measures (in line with the aspirations of the original Plan Nord) and then gradually filling out the broader contours of the project through increasing investment and organizational structure. More details about the new version of the venture were revealed when Pierre Arcand (Minister of Energy and Natural Resources and Minister Responsible for the Northern Plan) tabled Bill 11 (the Act Respecting the Société du Plan Nord) on September 30, 2014. Following through on the Budget statement, the announcement of the Bill filled out the organization, financing, and mandate of the Société, indicating that the body was now poised to take over responsibility for Plan Nord from the ministerial committee and the Secretariat. However, perhaps more revealing about the priorities of the committee – and

the direction that the Plan Nord would take, were the specific projects that it would oversee. The bill reiterated those projects that had been announced in the budget, namely, “a sum of \$63 million to finance major road infrastructure work in the area covered by the Northern Plan, including the extension of Road 138 and the repair of Road 389 in the Côte-Nord region and the James Bay Road.” (Jean Masson 2014). The new budget funding included another investment along the same lines: \$25 million to carry out a feasibility study on construction of a new rail line from Sept-Îles to the Labrador Trough.” The final venture announced was consistent with the original provisions to support the development of transportation infrastructure in the territory covered by the Plan Nord. However, this drop of bureaucratic grammar also served to reveal the cloud of philosophy in which Plan Nord 3.0 had become shrouded: “an investment of \$50 million in Gaz Métro LNG for the expansion of its liquefied natural gas plant which will supply certain projects located in the area covered by the Northern Plan including, first, the Stornoway Diamond’s Renard project.” (Masson 2014)

### **LNG and Plan Nord (3.0)**

LNG (or liquefied natural gas) is a clear, colourless, non-toxic liquid that forms when natural gas is cooled to  $-162^{\circ}\text{C}$  ( $-260^{\circ}\text{F}$ ). Since the volume of the gas has been shrunk to 1/600 of its original state, it can easily be both stored and transported. (Shell Global 2014). The natural gas itself is a non-renewable fossil fuel that has formed when layers of organic material are subject to intense heat and pressure over a number of millennia. (United States and Federal Energy Regulatory Commission 2014). As of 2013, the estimated world reserve of natural gas was 6845.572 trillion cubic feet. Nearly 80% of this total is concentrated in ten countries. While Canada, with an estimated 68.166 trillion cubic feet of natural gas, ranks #18 on the list (Central Intelligence Agency. United States. 2014), it is currently the “fifth-largest producer and fourth-largest exporter of natural gas in the world.” (Natural Resources Canada 2014). Unlike most other regions of the country, Quebec has been slow to embrace natural gas, largely because hydro-electric power has become so firmly entrenched. However, given the province’s commitment to cut down its green-house gas emissions, there are signs that natural gas – particularly in the form of LNG, is beginning to gain a foothold (Cousineau 2014). Indeed, by virtue of the proliferation of LNG development in Quebec as a leading alternative to hydro-electricity, the emergence Plan Nord (3.0) is beginning to take on a different complexion.

Arguably, the \$50 million investment by the Quebec government in Gaz Métro LNG for the expansion of its liquefied natural gas plant is just the tip of a looming cryogenic iceberg. It is instructive that LNG rather than Hydro was chosen to supply the energy needs of a number of projects forming the backbone of the re-tooled Plan Nord, including Stornoway Diamond’s Renard project (Stornoway Diamond Corporation 2014). A vital part of the project has been the building of a power plant that consists of seven gen sets, fuelled by LNG produced by Gaz Metro and transported on a fleet of cryogenetic tanker trucks. (Stornoway Diamond 2013). Indeed, Gaz Metro, along with Robert Transport, the Company whose fleet of trucks will bring the LNG to Renard, have both become major players in Quebec’s nascent LNG industry.

In particular, both organizations have closely co-operated in the “Blue Road” project, which “will create Canada's first freight transportation corridor fuelled by ... LNG along the 20/401 highway between the Québec City area and the Greater Toronto Area.” Taking advantage of a program of tax incentives offered by the Quebec government (to reduce greenhouse gas emissions), “Robert Transport ... has acquired 180 trucks with engines fuelled by LNG supplied by Gaz Métro. (Gaz Metro 2014). LNG is not only be used for fuelling trucks, but has been adapted for use by ferries in Quebec. Chantier Davie Canada agreed to produce two LNG- powered ferries for La Société des traversiers du Québec (STQ”). These will be operating on the Tadoussac-Baie-Sainte-Catherine route and are scheduled to begin service in 2015. (Chantier Davie Canada Inc 2013). A third vessel, designed and built in Italy -- also using LNG produced by Gaz Métro – “will be used for the Matane–Baie-Comeau–Godbout link” on the St. Lawrence River (Gaz Métro 2013).

Gaz Métro is by no means the only organization that has become active on the LNG front in Quebec. A Norwegian Company, StoltLN, is investing \$570 Million dollars to build an LNG liquefaction plant in Becancour, to come online in 2017. The director-general of the organization, Rodney Semotiuk, envisages that the new plant will not only supply the needs of Quebec industry, but also those in the Maritimes, Nunavut, Europe, and the United States. (Rochette 2014). An even larger LNG development is underway in the Saguenay. Freestone International, of Palo Alto, California, is investing 7 billion dollars in the construction of a massive LNG liquefaction plant as part of the “Energie Saguenay” initiative. This will also involve an investment of 2-3 million in a 650 km pipeline that will bring natural gas to the complex for processing. The project will be undertaken by a newly formed organization, LNG Quebec, established by Jim Illich, Jim Breyer, and Michel G. Gagnon. Unlike the plant at Becancour, “Energy Saguenay” sees its main market as one that is overseas, particularly in Asia, Europe, and Latin America, based on the anticipation that the market for LNG will do double in the next twenty years.(Dansereau 2014).

### **Plan Nord, LNG and shifting Geo-politics**

In effect, the deal that the Liberal government struck with Gaz Métro represented a key component of an ascending LNG infrastructure in Quebec involving liquefaction plants, pipelines, manufacturing, trucking, ferries, as well as import-export facilities, blurring the blue of natural gas with the green of an environmental ethos. Given that the government had become a stakeholder in the development of this complex, it signaled that it intended to play the role of advocate rather than regulator. Hence, while the Plan Nord did not entirely disappear, it no longer was the defining feature of the Liberal government’s policy arsenal; it had become subsumed by the dictates of the oil-and-gas sector, with Quebec’s designs on the North now premised by the province’s broader efforts to increase its stake in the bitumen-driven oil and gas economy. The petrol-gas tail, as it were, was now wagging the Plan Nord dog.

How could one account for the Liberal Party’s redefining and repositioning of Plan Nord?



Political considerations surely played a major role. The initial plan was not greeted with the enthusiasm that the Liberal party had expected, particularly for its failure to adequately consider its environmental impact, for the heavy expenditures that it involved, and for its lack of consultation. There had also been a significant shift within Canada's political economy. Rather than pursuing the traditional line of Quebec trying to build a strong economy (i.e. Québec Inc) largely independent from the rest of Canada, the position of the Couillard government was much more conciliatory. Recognizing the extent to which transfer payments from Canada (fueled by Alberta's booming bitumen sector), had been of benefit to Québec, the Couillard government saw the advantage of expanding its involvement with the Canadian oil-and-gas economy. This was evident in the recent meeting of provincial premiers, in which Premier Couillard made significant contributions to discussions about developing a cooperative national energy policy involving the provinces.

### **The Penetrative powers of the Petrol-Gas Sector**

Quebec's growing involvement in the oil and gas economy, with particular reference to the LNG sector, has also been affected by changing world circumstances. When the Bill for Plan Nord was first introduced in 2011, the price for minerals on world markets was at record levels, which augured well for massive investment into northern natural resources. However, when the Liberals returned to power in 2013, the demand for minerals had declined considerably. In particular, China's previously torrid economy had slowed down considerably, meaning it was showing less demand for minerals, including those produced by Quebec. Moreover, the rise of China and the other BRIC nations (Brazil, Russia, and India,) all intent on having long-term energy security, has served to undermine the dominance of the petro-dollar regime -- centred in Saudi Arabia and the United States -- which has governed oil-related transactions since 1973.

Indicative of this seismic change in global energy transactions was the far-reaching 2013 agreement between China and Russia to have vast amounts of Russian natural gas shipped to China via Siberia. At the same time, given that the ongoing tensions between Russia and Ukraine threatened Europe's supply of natural gas from Russia, European nations have begun to look elsewhere for this commodity, and were willing to pay a premium for it. This has helped to fuel the boom in oil/natural- gas production and export in the United States, aided and abetted by the expansion of hydraulic fracking. Canada has not been immune from this LNG fever, with the growth of fracking, pipeline expansion, gas-liquefaction plants, and import-export LNG facilities, particularly in British Columbia and Nova Scotia. As a recent industry commentator breathlessly described this recent trend:

With LNG attracting a premium price in Asia, Canada is vying with the United States, Australia, Russia, East Africa and the Middle East to rapidly build the infrastructure required to move LNG to key markets in Japan, Korea, Taiwan, China and India. By positioning the LNG industry in British Columbia (B.C.) as a key driver for economic and jobs growth over the next few years, the B.C.

government is sending a clear message – the time to act is now (Lee-Anderson 2013)

Quebec has not only been pulled into this movement by the prospects of lucrative world markets, but pushed by the declining markets for hydro-electricity, attributable at least in part to the booming natural-gas sector in the United States (van Praet 2014).

By virtue of this shift, the government's claims that the Plan Nord would foster sustainable development in the north as well as environmental protection became even more hollow and suspect. This is evident in the lack of concern for environmental protection shown in the ongoing case of Cacouna, the port on the North shore from which bitumen oil from Alberta was to be placed on ships to be taken to refineries. In order for this take place, the company responsible for the pipeline, TransCanada Corporation, had begun exploratory work, including seismic testing, without a proper environmental assessment having taken place. On the basis that this work was having an adverse effect on the beluga population, four environmental groups filed an injunction, which was accepted by the Québec Superior Court. Whether or not the exploratory work will be eventually allowed to continue at this moment is still up in the air. But what this episode reveals is that the Liberal government's commitment to sustainable development can be questioned, and that there is little reason to believe that the original provision of the Plan Nord for protecting a huge swath of the Boreal forest from exploitation will be respected. This is consistent with the view that the Plan Nord in any iteration is not about state-led economic planning and job creation, but the state-led opening of new land to the free market.

There are other signs that the Liberal government has little interest in protecting the environment. All meetings of the government's environmental consulting groups have been postponed until the spring of 2015 and there is yet to be a governmental response to a recent report about the dire state of many forms of wildlife in Quebec. Premier Couillard was quoted as saying that he would not save a single caribou if it meant that there would be a loss in jobs (*La Presse* 2014). The belugas fare no better in the Quebec premier's vision of environmental co-existence; he recently insisted that it was necessary for the drilling to continue at Cacouna (ICI.Radio-Canada.ca 2014). As Dubitsky (2014) ably describes it, the Couillard government has been "preparing the terrain with inadequate or smoke screen environmental analyses to facilitate full-tilt fossil fuel and natural resource development in the province." It argues, in effect, that "while awaiting the shift to a green economy, it's best that Quebec produce its own fossil fuels, rather than importing them." Hence, the LNG initiatives, in line with the fracking moratorium, the "preservation" of boreal forest in the North, and the various "analyses" can best be understood as vapours in Liberal party smoke clouds that serve to screen its scramble to jump on the bitumen bandwagon.

Putting these developments into Innisian terms, the integration of Plan Nord into Quebec's nascent embrace of the bitumen/gas economy, can best be described as a testimony to the penetrative powers of the petrol-gas sector. But just as Polanyi describes how established social relations were over-run by a self-regulating market economy in the 19<sup>th</sup>

century, hard-fought efforts in Quebec to protect the environment from the ravages of industrial society are now jeopardized by the onslaught of an all-encompassing oil-and gas economy as it intersects with the natural-resources industries slated for expansion with the Plan Nord. An area for further thought would be how Polanyi's concept of the double movement applies to the Plan Nord, government regulation of Northern development, and social movements, which have been protesting the plan.

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**November 2, 2014**