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### New Writers forum

## The Role of the Fur Trade in the early development of European Canada

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This paper is going to consider four main points that affected the growth of population on Canadian soil. The ideas are based around the central theory developed by Harold Innis in 1930 and named the 'Staple Theory'. However, there are various other reasons why there was an early development of Europeans in Canada which I will not explore. For example, the religious movement of people to leaving the 'Old World' to start a new life in the 'New' utopian world. Also, there was an influx of French missionaries who travelled to North America to convert the native peoples to Catholicism. The methodology used will be chronological as this will give the essay order and highlight the points. There were various sources which were important in the understanding of Trade Industry History these included a chapter on First Nations at the centre of Canadian Memory in Taras and Rasporich's 2001 book *A Passion for Identity: Canadian Studies for the 21<sup>st</sup> Century*, (4<sup>th</sup> edition) and various works of Harold Innis dating from 1930.

Harold Innis introduced his 'Staple Theory' in 1930. He talked of the "demand for staple products"[\[1\]](#) and how that demand can shape a nation. Canada's dominant staple products were the beaver, cod and agriculture. Innis believed the beaver, through the fur trade, set up the economic role of Canada in the World's economy: Economic development in Canada is powerfully directed toward concentration on staples for export to more highly industrialized nations.[\[2\]](#)

However, various economists disagree with Innis' theory. Vernon C Towkes writing thirty years after Innis, emphasises on the most important staple to the Europeans prior to Confederation being agriculture.[\[3\]](#) I have to agree with this statement but only to a certain extent. Agriculture had replaced the Fur Trade as the leading economic factor in the west of Canada by 1700. It was said, "three out of four Canadian families [were] involved in farming."[\[4\]](#) This confirms that the Fur Trade was the dominant activity in Canada prior to the eighteenth century. It did continue but it was the central business that established Canada. Kenneth Buckley, writing in the same year as Towkes, also argued against Innis' Staple Theory. His idea was that "Economic growth does not rely on Geography and Natural Resources"[\[5\]](#). This statement holds no truth as nearly all economic activity begins when people take advantage of an unlimited resource in the area. For example, during the Twentieth century in the North East region of England the coal mining industry's economic importance increased rapidly. This was due to the discovery of large quantities of a natural resource. The first attraction of Canada was the discovery of Cod in the North Eastern waters of the Atlantic, off the shores of Newfoundland.

This natural resource was very important in the early sixteenth century[\[6\]](#). It attracted various European countries for example England, France and Spain. Innis noted how "the history of the North Eastern Maritime region of North America has been dominated by the fishing industry"[\[7\]](#). The fishing grounds in the North Atlantic became richly populated through the months of March and October with various Europeans. Due to this industry the first string of settlements began to emerge along the coast of Labrador. Large amounts of fish were required because of the Roman Catholic religion in various countries. The special dietary rules specified that there were many days in the year when people were not allowed to consume animal flesh

[8]. Another business that began to boom in the early sixteenth century was the “Basque Whaling Stations”[9]. These were also partly responsible for the first fixed locations on the Labrador coast. However, these industries were the founding economic development of the area as they employed 2000 men who lived on its shores, but for only six months of the year. This meant no families could establish permanent homes. Innis summarized the cod industry as the true beginning of Canada’s economic growth however the importance of the Fur Industry developed a nation: It is significant that the cod, the staple fish, has secured recognition only grudgingly as the basis of economic development...Whereas in Canada the beaver was fittingly chosen as a symbol of unity.[10] The Fur trading was the founding unification of Central Canada due to the “need to defend long trading routes in the Fur Trade (leading) to the centralizing, imperialistic tendency of Canada”[11].

One of the leading factors that began the expansion of the European settlers in Canada was due to the relationship with the Native people. Jacques Cartier is one of the first accounts of the introduction between the two peoples. He witnesses these native people as they “set up a great clamour and made frequent signs to us to come on shore, holding up to us some furs on sticks”[12]. These indigenous people played vital roles in the Fur Industry and these special relationships set up trade links within Canada. Their contributions included locating and capturing the beavers and skinning them. With the help and advice from the Natives, the Europeans were able to explore the land safely and their knowledge provided the basis of maps that cartographers such as Samuel de Champlain, created at the start of the seventeenth century. [13]

During the year 1600 the Fur industry, especially beaver, exploded and dominated the economic market. It was mainly due to the French Europeans who began to settle in the Gulf of St. Lawrence and along the Atlantic coastline. During the seventeenth century furs were the height of fashion and therefore the height of demand. Samuel de Champlain travelled to North America in the year 1603. By 1608 he had begun to build the prominent town of Quebec. This colony was to establish definite trade links with the Native peoples involved in the Fur industry. In the early seventeenth century settlements grew slowly due to the harsh conditions. Innis remarked, “North America remained British because of the importance of fur as a staple product”[14]. The English became prominent in the Fur industry after the discovery and formation of the Hudson Bay Company in 1670. Thus the second half of the seventeenth century can be seen as a turning point in the history of the Fur Industry. Up to this point the Fur trade was the leading factor in the Canadian economy however the European’s land was only expanding slowly. Before the seventeenth century the Fur trade was a secondary business for the fisherman who travelled across the Atlantic. Development of Canada only began to increase after the demand for Furs in Europe. With the foundation laid down for the Hudson Bay Company this began the intense rivalry between this company and the North West Company.

Towards the end of the seventeenth century a culture of people began to emerge through the fusion of two societies: The French and Native people. This intermarriage of races later produced the Métis people. This society only began due to the Fur Trade and they may never have become a “culturally distinct, politically conscious group”[15] if the Companies had not disputed against each other in history. The joining of the two cultures laid down a foundation in Canada and provided a strong basis for the Fur industry to trade with.

“Canada emerged as a political entity with boundaries largely determined by the Fur Trade”[16]. In the early history of Canada this statement spoke the truth as the Fur Trade dominated the economic market. The Hudson Bay Company which was established in the latter half of the seventeenth century emerged as a typical modern day multinational company, one which exploited and engulfed the resources, land and people surrounding it. It was a forerunner of the economic world today. Canada has always relied on its ‘Staple products’: cod, fur and

agriculture as the West adopted the name 'granary of the world'[\[17\]](#). However, it can be seen that the Fur Trade was the foundation of the European settlers. I agree with Harold Innis' view on these three main staples shaping different areas of Canada. With the cod in the Maritimes, Furs in central Canada and Agriculture in the west.

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- [\[1\]](#) Harold Innis, [The Cod Fisheries: The History of an International Economy](#), 1954
- [\[2\]](#) Harold Innis, [The Cod Fisheries: The History of an International Economy](#), 1954
- [\[3\]](#) Vernon C Towkes, [The Canadian Journal of Economic and Political Science, No.2](#), 1963, page 142
- [\[4\]](#) Francis, Jones, Smith, [Origins: Canadian History to Confederation](#), 3<sup>rd</sup> ed, 1996, page 89
- [\[5\]](#) Kenneth Buckley, [The Canadian Journal of Economic and Political Science, No.2](#), 1963, page 142
- [\[6\]](#) <http://collections.ic.gc.ca/cod/history>
- [\[7\]](#) Harold Innis, [The Cod Fisheries: The History of an International Economy](#), 1954
- [\[8\]](#) J.R. Miller, [Skyscrapers Hide the Heavens: A History of Indian-White Relations in Canada](#), 3<sup>rd</sup> ed, 2000. In [A passion for identity: Canadian Studies for the 21<sup>st</sup> Century](#), 2001, page 38
- [\[9\]](#) Francis, Jones, Smith, [Origins: Canadian History to Confederation](#) 3<sup>rd</sup> ed, 1996, page 34
- [\[10\]](#) Harold Innis, [The Cod Fisheries: The History of an International Economy](#), 1954, page
- [\[11\]](#) [www.stfx.ca/people/mgernet/ec342/STAPLES.html](http://www.stfx.ca/people/mgernet/ec342/STAPLES.html)
- [\[12\]](#) Ramsay Cook, [The Voyages of Jacques Cartier](#), 1993. In [Origins: Canadian History to Confederation](#), 3<sup>rd</sup> ed, 1996, page 32
- [\[13\]](#) J.R. Miller, [First Nations at the Centre of Canadian Memory](#), In [A passion for identity: Canadian Studies for the 21<sup>st</sup> Century](#), 4<sup>th</sup> ed, 2001, pages 40-1
- [\[14\]](#) Harold Innis, [The Fur Trade in Canada: An introduction to Canadian Economic History](#), 1930,
- [\[15\]](#) Daniel Francis, [Battle for the West: Fur Traders and the Birth of Western Canada](#), 1982, page 177
- [\[16\]](#) Harold Innis, [The Fur Trade in Canada: An introduction to Canadian Economic History](#), 1930
- [\[17\]](#) Daniel Francis, [Battle for the West: Fur Traders and the Birth of Western Canada](#), 1982, page 177