Politics and the Economic Conversion of Military Production in Canada

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Canadian peace activists and researchers have long recognized that the immediate material interests of large numbers of workers, their families and indeed whole communities are often bound up with the continued vigour of the arms race. Dependent, as they are, on military production for their livelihood, these people will have greater difficulty than most in embracing the goals of the peace movement as their own. Finding a means of divorcing the material interests of these workers, their families and their communities from the arms race thus poses a great challenge to the peace movement. Most recently, the response has been to provide a
critique of the allocative distortions and opportunity costs of military spending, while pursuing a strategy of economic conversion from military to civilian production. This strategy, yet to be critically assessed in the Canadian context, is the concern here.

Economic conversion is conventionally defined as "a planning process for developing alternative uses of the work force and facilities currently engaged in military production in advance of changes in policy that may shut down or slow down work at particular facilities." Yet, more than a planning process, economic conversion has typically been a mobilizing process: a series of "grass roots," extra-parliamentary campaigns at single sites, designed to politicize those whose lives are most intimately bound up with weapons manufacture. The objective of these highly localized campaigns has been to shift resources away from military to "socially useful" production, in particular to develop alternatives to the production and testing of nuclear weapons and the export of conventional weapons to human rights violators and countries at war.

For several years, these attempts have absorbed the resources and energies of numerous peace groups, not only in Canada but also in the U.S., Britain, Germany, Belgium, Holland and elsewhere. Despite determined attempts over several years, none of these conversion efforts has succeeded. Such consistent failure calls for more than an assessment of individual campaigns; it calls for a critique of the strategy which has guided these efforts.

The following critique points to two weaknesses in the current conversion strategy. First, while economic conversion efforts focus almost exclusively at the local level — individual weapons sites, plants and communities — military production of any significance is normally integrated at least at the national level and, in the Canadian case, usually at the international level. The local level of these economic conversion initiatives has thus not been appropriate. Second, although the mechanisms shaping military production are essentially political (i.e. policies of defence, economic development, public finance, foreign trade, external affairs, and science and technology, as well as the usual 'pork barrel' and electoral considerations), conversion planning has been defined almost exclusively in narrow economic terms and has often been diverted.
by irrelevant technical details. The Cruise Missile Conversion Project is a case in point.

**The Cruise Missile Conversion Project** Starting in 1980, the Cruise Missile Conversion Project (CMCP) developed a vigorous campaign to convert the complex of plants owned by Litton Systems Canada Limited in Rexdale, a suburb of Toronto, Ontario, away from the production of guidance systems ("inertial navigation units") for Tomahawk and Air-Launched Cruise Missiles. Although the primary objective of the peace activists forming the CMCP was to halt production of the guidance systems, they recognized that a campaign which simply called for a refusal to accept the cruise contract would be ineffective. Consequently, in addition to drawing up plans for converting production to guidance devices for the blind and the physically disabled, they saw the need to provide the Litton workers with guarantees of retraining and severance pay or continued employment in the event of conversion. The CMCP activists also recognized that unionization was a critical requirement. Beyond this, in order to promote worker-owned companies and, more radically, worker self-management, the CMCP supported a major increase in the workers' control of decision-making at Litton. For all of these reasons, the CMCP's Litton campaign concentrated on politicizing and mobilizing the more than 3,000 Litton workers themselves.

The key mechanism for conversion was to be an "Alternate Use Planning Committee," the main decision-making body in determining alternative civil production. This committee would also promote economic diversification to make the community less dependent on Litton. Conversion itself would be negotiated by representatives of management, the workers, community groups and peace groups. The CMCP recognized that successful conversion would require the expertise of both the skilled workers within Litton and the academic community outside the plant. Also central to the CMCP strategy was the need to set up a "Support Fund" to help those who wanted to quit military work on principled grounds and to allow those who wanted to speak out and organize against militarism to do so with some security in case of reprisals. Finally, the CMCP recognized that parallel conversion campaigns would need to be developed at other plants.
These were the main elements of the CMCP's long-term strategy. Its first phase centred on attempts to raise workers' awareness of the issues and of the potential for conversion. The CMCP regularly distributed numerous leaflets at the plant gates and held formal and informal discussions and meetings with the workers. The group also did educational and public relations work in the area around the plant. At the same time, the CMCP carried out demonstrations and civil disobedience at Litton.

The CMCP was still in this first phase when, in 1987, the U.S. Air Force shifted procurement away from its B52-launched cruise missile (a weapon of dubious strategic value) to the faster, longer-range, more accurate "Stealth" version (a missile that would be harder for Soviet radar to detect and thus potentially useful as a first-strike weapon). The Litton plant was not selected to design the new version, however, and it was in this context that the CMCP decided to begin conversion organizing elsewhere. After this, for a variety of personal reasons, the CMCP disbanded.

Looking back, the group regards its campaign at Litton as, in large part, a success, not least because they believe that the CMCP's work played a role in the decision not to award the contract to design the advanced guidance system to the Litton plant. Indications of the CMCP's success can be seen in the large number of people who received pamphlets, leaflets and other information about the project, the "wide range of support" that the CMCP believes existed inside the factory, and the "dozens" of people who are believed to have left Litton because of the CMCP's work. Further afield, the CMCP influenced several other attempts to stop military production and testing, including the successful campaign to stop Litton's attempt to set up production of radar components for NATO's Low Level Air Defence System on Prince Edward Island. More generally, the CMCP encouraged the peace movement to shift focus away from responses to changes in U.S. military and foreign policy toward an emphasis on the kind of role that Canadians can play with respect to issues such as Strategic Defence Initiative (Star Wars) contracts, the North Warning System, and low-level flying at the Goose Bay testing range in Labrador. Not least in importance, the CMCP helped to bring an emphasis on economics into the peace movement.
In its eight years of struggle the CMCP achieved a great deal. At the same time, however, these successes were overshadowed by major strategic weaknesses which had all along bedeviled the CMCP's conversion campaign. One of the most fundamental of these weaknesses was the failure to recognize contradictions in the attempt to unionize and convert Litton at the same time. The Auto Workers conducted two union drives, and organizers for both drives regard the conversion campaign as a major reason for their inability to win union recognition. Since unions have had a difficult time organizing Litton workers, conversion campaign or no, the impact is difficult to assess. That conversion and unionization were not always complementary goals is, however, true. The workers generally saw the conversion campaign as a threat to their job security, and many saw the union as an ally of the CMCP. Since the CMCP was in no position to deliver on any of the key promises that it wanted to make to the workers regarding retraining, severance pay and guaranteed employment, these fears were not irrational. To the extent that they did influence the plant's failure to receive the new Stealth contract, the CMCP did undermine the workers' job security. In retrospect, the CMCP was less successful at fostering the workers' awareness of the dangers of the arms race than it was in persuading them that the peace movement, the CMCP especially, constituted a direct danger to their livelihoods.

The CMCP's difficulties in this regard reflect a choice which lay at the heart of their conversion strategy. That choice was based upon a highly sophisticated and consistent understanding of the relationships between certain ethical values and a particular social vision, on the one hand, and concrete political realities on the other. The CMCP's conversion strategy was designed to meet broader and longer-term goals than conversion itself. It was guided by a conviction that weapons can best be converted by those whose lives are most intimately bound up with their production, and by the vision of a participatory society in which the vast majority of citizens, most centrally the working class, would be collectively empowered through struggle to make responsible moral choices. CMCP members believed that a world founded on decentralized, popular control was the only realistic basis for a genuine and enduring world peace — a world which would not be defined by rela-
tions of domination and subordination. "Getting people to change themselves and their workplace," said one member of the CMCP, "should . . . be the leading edge of resistance to militarism." This broader vision, with its emphasis on the politicization of the Litton workers themselves, had much to do with the local nature of the CMCP's conversion strategy. The CMCP opposed working to any great degree within a parliamentary political system. Such a system, they believed, left society's most important decisions to a few politicians and bureaucrats, and many more decisions to those few who own and control large corporations.

The CMCP members were well aware of what they were up against: they knew that the Litton contracts were the creatures of Canadian government programs such as the Defence Industry Productivity Program (which subsidizes military production) and the Defence Production Sharing Agreements (a regulated and roughly balanced trade arrangement between Canada and the U.S., akin to the Auto Pact). They also knew that economic conversion would ultimately need to be an integral part of a much broader set of initiatives including not only parallel conversion campaigns at other military production sites but also a legislative campaign. Nevertheless, they thought that conversion at the level of one plant was possible. "You can't rely on legislation," they contended, "so build the alternative regardless of what's happening in the political arena." They concluded that intensive local-level organizing around conversion, coming from the bottom up, would create a more lasting change than that which might be achieved through legislative means.

It is this decision to work almost exclusively outside the political system which, in one way or another, informs almost all conversion attempts which, like those of the CMCP, focus primarily at the plant level. From the perspective of the values and long-term goals which underlie and animate conversion organizations, it may seem premature to consider the strategy underlying their attempts a failure. Nevertheless, the core rationale for all such campaigns remains conversion itself, and judged in terms of this criterion, the strategy has clearly failed.

The General Strategic Problem The CMCP's failure to convert Litton represents more than the failure of a particular
conversion campaign; it illustrates the failure of the strategy behind all local-centred conversion campaigns. The failure embodied by this strategy is so fundamental that conversion would have failed even if one plant such as Litton had been converted. In order to clarify the limits of this conversion strategy, let us, for the sake of argument, assume away all the key barriers to conversion at the level of the plant. This would mean:

1) that there is adequate consumer demand for new, alternative goods that can be produced profitably, and that this demand has not, for some reason, been satisfied;
2) that there is little "trained incapacity" and little overspecialization among the production and technical workers and the managers, so that they can be easily shifted to jobs in non-military production;
3) that the plant can be readily "re-tooled," i.e. that the technology for the production of military goods can be transformed into civilian production;
4) that rather than taking high-paying jobs in other parts of the military economy, the "technical intelligentsia" of engineers, designers, chemists, etc., as well as the managers, are willing to stay on and to help convert the plant to alternative production;
5) that production workers have sufficient confidence in the conversion plan to risk their current jobs, and that they are willing to trust management enough to collaborate in setting up the new production system;
6) that sufficient external support from financial institutions, in the form of credit arrangements, etc., is available to carry the plan from its design stage to its implementation stage; and finally
7) that these assumptions are adequate to convert the plant.
Assuming a 'best of all possible worlds' scenario where all of these conditions obtained so that the plant was converted, what would have been achieved? Aside from a symbolic victory, very little. A whole plant would have been converted without getting one step closer to stopping or slowing down the arms race because this kind of economic conversion is aimed entirely at the symptoms of militarism. It does nothing to change the state defence and foreign policies which lead to military production in the first place. Consider, again, the contract for
cruise missile guidance systems at Litton. If the plant were converted, the Canada/U.S. Defence Development and Production Sharing Agreements (according to which the balance of trade in military goods between the two countries is kept more or less equal) would still be in force. The NATO and NORAD commitments which define most Canadian military procurement policies would also remain. So the demand for military goods would be the same, and the contracts from the converted plant would simply go to another plant (as happened in the case of Prince Edward Island’s refusal to produce parts for NATO’s Low Level Air Defence System: Litton set up production in Nova Scotia instead). Under the optimal assumptions listed, this strategy would result in a “successful” conversion but would leave production of cruise missile guidance systems totally unaffected. The conversion campaign would have to start all over again at whichever plant took up the military contracts.

The Need for Alternative State Policies To be effective, conversion activists will need to abandon their strategic focus on individual military production sites and place primary emphasis instead on federal defence and foreign policies and on industrial and trade policies related to military procurement. Conversion only becomes practicable where there is excess capacity in the defence sector, or where excess capacity is predicted. Since excess capacity is a function of the demand for military goods, which is in turn contingent upon national defence policy and foreign policy regulating procurement needs, conversion activists will need to focus on the implementation of alternative defence and foreign policies. These policies will need to specify not only Canada’s long-term requirements for military goods and services but also the relation of Canadian military production to external military demand.

With alternative defence and foreign policies defining current and future excess capacity, it will be possible to know what can be converted without encountering the limits discussed above. It would then be possible to provide an effective mechanism for conversion: a national legislative framework. Such a framework could include:

1) the creation of a National Planning Council to devise, coordinate and implement alternative production plans.
2) the establishment of integrated workplace, community and regional Alternate Use Planning Committees wherever military sites are scheduled for conversion. These Committees would conduct research into production alternatives and play a major role in the implementation of alternate plans at their level.

3) the coordination of government agencies and crown corporations to assist the National Planning Council and the Alternate Use Planning Committees. This would include the integration of conversion planning with relevant federal trade and economic development policies.

4) the provision of adequate public funding to enable the Council and the Committees to carry out their mandates. (Funds currently earmarked to subsidize military production and export could be used for this purpose.)

5) a requirement that military contractors provide advance notification (a minimum of two years?) of the termination of specified military contracts, as well as appropriate penalties to ensure compliance.

6) the provision of income supplements, relocation subsidies and retraining grants for workers who lose their jobs.

7) the establishment of provisions to assist affected communities (especially those without a diversified economic base) in the maintenance of an adequate public sector infrastructure (roads, schools, public services, etc.).

**Canadian Exceptionalism** While there have been various legislative proposals along these lines in the U.S., in the current American context they have rightly been regarded as having symbolic rather than substantive value. In Canada, however, such a legislative framework is more attainable, largely because of contrasts between the American and Canadian power structures in relation to military production. Whereas that "conjunction of an immense military establishment and a large arms industry," whose power President Eisenhower warned against, lies at the heart of the U.S. power structure, there is as yet no similarly powerful "military industrial complex" in Canada. Economic conversion in Canada is, consequently, a less 'utopian' goal.

In the first place, military production is not a Canadian industry but rather a truncated dependency of the U.S. econ-
omy. Ever since the 1941 Hyde Park Declaration dealing with American-Canadian cooperative war production, military production in Canada has been an integral part of a continental defence industry\textsuperscript{20}, and Canadian military goods have been standardized to fit U.S. military specification. The cancellation of the CF105 Arrow by the Diefenbaker government in 1958 signalled the abandonment of a national defence strategy and made Canadian military policy even more the creature of U.S. interests and strategic doctrines. The NORAD Agreement in the same year, the Defence Production Sharing Agreements in 1959 and the Defence Development Sharing Program in 1963 formally entrenched this military continentalism. Viewed in this context, it becomes clear that most of the escalation of military production in Canada has been, until recently, a response to needs defined by the United States.

A second major factor which makes economic conversion in this country more feasible is that Canada's arms industry and military establishment are not large. Canada's approximately $3 billion a year in military commodity production and $2 billion in military exports is comparatively modest and constitutes a small part of the country's total trade. As a percentage of Gross Domestic Product, Canada has been spending less on military production than all of the other NATO countries, with the exception of Iceland (which has no military forces) and Luxembourg. Even allowing for differences in the size of their respective economies, Ottawa's $11.2 billion defence budget for fiscal 1988 pales next to Washington's almost $291 billion. Whereas the armed forces comprise 2.9% of the U.S. labour force, they comprise only 1% of the Canadian labour force. And whereas defence expenditures comprise 29.4% of the budget of the U.S. national government and 6.9% of the Gross Domestic Product, the comparable figures for Canada are 10.2% and 2.2% respectively.\textsuperscript{21}

This lesser economic weight translates into less political power for the defence industry. In addition, unlike the Pentagon's systematic allocation of procurement contracts to bolster domestic political support, Ottawa has been more sparing (until recently) in its use of military procurement as a tool of political leverage. Thus, in contrast to the U.S., where the dispersal of defence production has created major regional economic dependencies throughout much of the South and
West, military production in Canada is concentrated in Quebec (especially Montreal) and southern Ontario where stronger, diversified economies preclude similar levels of dependency. Although personnel, operations and maintenance expenditures have been more dispersed, the Ministry of National Defence's capital spending has been concentrated in Quebec and Ontario. Consequently, compared to the U.S., a Canadian economic conversion policy centred on capital expenditures would be less at odds with regional development priorities and the attendant political concerns of defence-dependent regional economies.

Finally, a national conversion effort is more feasible in Canada because of widespread public sympathy for the view that Canadian military and foreign policy should be more independent of Washington. Whereas nationalism and militarism are synonyms in much of the U.S., the relationship between nationalism and militarism is ambiguous in Canada. The various currents of Anglophone nationalism represented by George Grant, Walter Gordon, and Mel Watkins all identify Canadian military policy as an extension of American hegemony, and the strong isolationist traditions of Francophone nationalism are even more out of step with the Cold War consensus south of the border.

The Viability of State-Sponsored Economic Conversion In addition to the particular circumstances favouring a state-centred conversion strategy in Canada, there is a consistent record of failed local-centred conversion efforts wherever state support has been lacking. Consider the well-known attempt in the 1970s by workers at Lucas Aerospace, a major military producer in England. Between 1970 and 1975, management rationalized production, laying off five thousand workers and threatening the same to thousands more. Lucas shop stewards responded by developing a detailed "Alternative Corporate Plan" for producing non-military goods. The plan was considered feasible as long as the Labour government supported it, but as soon as the Thatcher government came to power in 1979, the company scrapped the alternative production plans and fired over 2000 workers. Workers at Vickers Ltd., another major British weapons producer, also developed an alternative plan. Without government support, it too failed.

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Similarly, when leftists gained control of the Greater London Council, they committed themselves to achieving economic conversion through a reordering of the Council's budget priorities — a plan which was also considered feasible until the Thatcher government disbanded the council in 1986.27

These are three instances where potential for economic conversion was nullified by the state. In other cases, state support has made conversion possible. During the past two decades, the U.S. government converted several military bases, replacing them with 26 civilian airports, 46 educational institutions and over 400 industrial parks.28 In the 1970s, the American government converted two plants producing biological weapons.29 Clearly the most dramatic state-sponsored successes, however, have been the reconversions which occurred in the aftermath of war. These were undertaken in all the major Allied countries (the Soviet Union, the United States, Britain, and Canada) which had military machines intact at the end of World War Two. In the Soviet Union, conversion was an integral part of the Fourth Five-Year Plan. In the West it has been widely thought that market forces were almost wholly responsible for the transition. However, while it is true that pent-up consumer demand and high savings rates during the war facilitated the shift to a peace-time economy, government legislation and planning were very important to the success of the transition. It was thanks to detailed planning by the U.S. government and the automakers, for example, that over 75% of that industry was converted from the production of tanks and other armoured vehicles to the production of cars and trucks.30

Similar government planning initiated Canadian reconversion after World War II. In 1944, Ottawa established a special Department of Reconstruction and passed considerable legislation to aid the transition to a peacetime economy. The Department of National Health and Welfare and the Department of Veterans' Affairs, both of which were also set up in 1944, distributed family allowances and veterans' benefits, thereby stimulating consumer demand for non-military goods and services. Among other measures, the government also strengthened demand for consumer products by establishing price supports for agriculture and the fisheries and by guaranteeing mortgage loans. In addition to providing for the
demobilization of returning military personnel, the government instituted special depreciation allowances on new capital investments and the efficient settling of military contracts. According to economist Gideon Rosenbluth:

Arrangements were also made for the disposal of government-owned plant, equipment and inventory rendered surplus by the end of the war. Bottlenecks that remained or developed in the supply of certain materials were dealt with by the end of the continuation of wartime allocation controls and price controls in a number of fields. A bottleneck in skilled construction labour that was considered particularly serious was broken by a rapid expansion of training facilities under federal-provincial agreement.  

State-sponsored conversion policies were not always entirely successful, and conversion today is in many respects more difficult than it was after World War II or the Korean War, or even the Vietnam War, when so much military production had civil antecedents. The fact remains, however, that all successful major conversions have occurred under government auspices and that public policy has been the key determinant of their success.

In their study of the conversion attempt at Lucas Aerospace, Elliott and Wainwright conclude that government involvement is “critical to the success of the creation of any plan for alternate production.” Similarly, a study prepared for the Greater London Conversion Council warned that “neither the trade-union movement nor the peace movement . . . seem capable of establishing the kind of conversion . . . councils required to begin preparatory work on alternative products.” The study recommended that a formal, well funded, administrative framework be set up to conduct conversion and noted that “the creation of such a framework . . . can only be accomplished by Government.” The Council on Economic Priorities in the United States concluded that “any attempt to convert nuclear weapons production facilities to civilian uses requires a substantial level of planning and financial support at the Federal, state, and local levels.” A recent special report to the Secretary General of the United Nations reached the same conclusion. The necessity of state involvement was also underlined by Inga Thorsson in her report on economic conversion in Sweden, in several U.S. studies, and throughout the history of attempted conversion legislation in the United States.
In addition to initiating alternative production, the state needs to play an important role in sustaining it. Assuming the availability of investment capital and the prospect of at least an average rate of return, private firms will themselves identify, develop and market alternative projects. That they are not doing so suggests either that there is a general failure of market research or, more likely, that alternative production is not feasible without continuing government support. Moreover, since the Canadian economy is not characterized by the high levels of unsatisfied consumer demand that existed after the Second World War, there is now far less opportunity to convert to new products. Given current conditions, most defence contractors are likely to have few alternatives, and labour markets do not have the capacity to absorb labour displaced from military production. This is especially true for workers (such as those at Litton Systems, Canada) who are not highly skilled. Even where workers are highly skilled, their skills may be quite specific to military production. 

Furthermore, since military hardware tends to be at the high-technology end of production, conversion will require planning of considerable duration. Without relocation and retraining assistance from government, most workers in facilities undergoing conversion could be unemployed or underemployed for long periods. Indeed, under current labour market conditions, many of them will need preferred hiring status on the job market if they are to avoid becoming victims of conversion. There is also the critical problem of the inequality of power that exists between workers and managers. For many reasons, such as high levels of regional unemployment and anti-labour governments, workers and unions are currently in a weak position. Without major government support for labour, conversion would almost certainly reinforce management's control of the labour process.

At the same time the Canadian government has been carrying out a highly successful conversion of seventeen redundant Cadin-Pine Tree Line radar stations in nine provinces of which most of the public (including many peace activists) are totally unaware. A federal committee representing several government departments and the Union of National Defence Employees did much of the advance planning, soliciting detailed proposals from “local impact committees” based in the
affected communities. Nine of ten stations which have been shut down (as of August 1987) have been successfully converted to non-military uses, including a retirement "villa," a skills training centre, a prison, and a native "self-contained community." Although other employment has not been found for all of those who could not or would not relocate, all who relocated have been employed in alternate jobs. Peace researcher Ken Epps concludes from this successful economic conversion that when the federal government deems it "politically appropriate," it can conduct conversion with "minimized job loss."43

Conclusion

A successful strategy for economic conversion should concentrate not on individual sites, but on the state itself. Conversion advocates need to shift their focus away from the local toward the national level, and away from the microeconomic toward the level of macropolitical economy. A better strategy would start with what is possible in the short term and expand on it in order to build the preconditions for achieving larger objectives. This will mean abandonment of the illusion that single plants are easier to convert than the state policies that foster them. Instead of focusing on local military production sites as a first step, priority should be given to providing alternative defence and foreign policies and a national legislative framework for conversion.

Effective mobilization in support of these state-centred goals requires coordination not only beyond the local level but beyond the peace movement itself, starting with sympathetic activists from religious, women's, ecology, native people's, trade union, community and other progressive organizations. While such coalitions would not absorb these culturally and organizationally disparate groups, they would entail cooperation around concrete objectives. For example, the full employment goal of unions and many community groups entails a common critique of the opportunity costs of military spending — and full employment would be the single most favourable precondition for conversion since it would facilitate the absorption of displaced defence workers. But the support of organized labour and community groups will also require very concrete
specification of the relationship between conversion and job security and of the roles that unions and community groups can play in the transition to civilian production. (If they are to play responsible roles in this transition, trade unions and community groups will need to be both financially and politically independent of the government agencies and arms contractors involved in the conversion process.)

Coalitions could also be formed around opposition to aircraft and missile flight tests in remote areas, a key concern of both ecology and native rights groups, as well as peace groups. In other cases coalitions could be based on moral affinities. Such bridges have already developed between some conversion activists and religious groups which espouse pacifist values, as well as some feminists who link militarism to patriarchy.

Local initiatives by conversion groups would continue to be a critical part of this broader, legislation-focussed mobilization. However, without a coherent national framework, local initiatives will continue to be episodic and fragmentary, dissipating the energy and talents of conversion activists. In the context of broad coalitions and a more realizable strategy, on the other hand, mobilization at the local level would be easier to sustain because local activists would know they were part of a mutually supportive, more powerful conversion effort. Thus strengthened, local groups would be more capable of checking the tendencies to organizational oligarchy at the national level. Such tendencies will likely mount as conversion activists involved in electoral mobilization and the lobbying of political parties, governments, and state bureaucracies, find themselves becoming professional “leaders” and “experts,” as well as clients of this or that faction of government officials and politicians, and hence heavily dependent on the formal political system. Among other things, these leaders may become tactically over-cautious and try to mould the base into a passive “rank and file.”

The antidote to this danger is a strong base of local activists, with horizontal links between them, who would mobilize through popular means, including the use of direct action tactics such as blocking test ranges, occupying military production centres, etc. In contrast to the CMCP and other local-centred conversion strategies, however, these local actions would be an integral part of a national legislative campaign. In order to achieve
alternative state policies and the necessary legislative framework for conversion, a successful conversion strategy requires a national organization which focuses political demands and coordinates local initiatives. A federal structure is the obvious choice, consistent with the need, emphasized in much of the peace movement (and the women’s movement), to develop organizational alternatives to the hierarchical “deep structures” of militarism, the cultural and psychological predispositions to domination and to war.

National coordination of local initiatives will need to focus on a series of related and carefully selected, specific, attainable, short-term goals. In choosing these objectives, it will be important to give great priority not only to the material costs of militarism (in terms of higher taxes, foregone social programs, etc.) but also to the ideological weaknesses of militarism. For example, right now a call to withdraw from NATO would be heavily burdened by the popular image of unilateralist appeasement à la Chamberlain. On the other hand, a repudiation of the core assumption of the Pentagon’s “counterforce policy,” the nostrum that nuclear first strikes are a legitimate tactic and that a protracted nuclear war is “winnable” (the basis of much current NATO strategy), would be ideologically sound and is in line with public opinion, which otherwise favours NATO. Popular support for the symbol of NATO does not extend to its strategic reality and this contradiction may be the Achilles heel of the government’s defence policy. A repudiation of the Pentagon’s nuclear strategy would be consistent with a legislative ban on the production of components for nuclear and nuclear-capable weapons and their support systems (e.g. components for cruise and MX missiles and systems such as the Strategic Defence Initiative and the Air Defence Initiative).

In concert with this ban, workers in the nuclear weapons sector who are displaced by a conversion program could be targeted as priority recipients of federal-provincial retraining programs. In addition to using money set aside for subsidies under the Defence Industry Productivity Program, relocation allowances and severance pay could be negotiated with the defence contractors. (By allaying workers’ concerns about job security, such legislative provisions would also aid unionization attempts.) These and other forms of material assistance would
enable at least some and perhaps many unions to translate their peace resolutions into tangible initiatives at the point of production.

Opposition to nuclear proliferation would be another theme around which to structure specific efforts. Pressure for legislative bans on the export of fissionable materials and nuclear weapons technology (CANDU nuclear reactors included), for example, could be tied to local groups (and unions) obstructing the transportation of these commodities.

Such themes would lend overall coherence and continuity to the conversion campaign, and minimize the risk that the failure of one initiative or another would become a general defeat. They also have good potential to carry public support forward from opposition to first-strike strategies and proliferation of nuclear weapons, to national debates about disentanglement from NATO and NORAD, to consideration of common security and alternative defence policies: a cumulative logic.

The defence policy emerging from the New Democratic Party (and the Canadian Labour Congress) would be consistent with the anti-nuclear part of this logic. The NDP’s proposal to make Canada a nuclear-weapons free zone, its support for a Comprehensive Test Ban, the ABM Treaty, nuclear non-proliferation, and cuts in strategic nuclear weapons, its disavowal of NATO first-strike strategies in favour of a non-provocative defence posture, its call for non-renewal of the NORAD Agreement, its commitment to stop the testing of cruise missiles and to halt participation in the Air Defence Initiative and the Strategic Defence Initiative, and its advocacy of withdrawal from the Defence Production Sharing Agreements and (eventually) from NATO, is a supportive context for converting nuclear-weapons-related production.

On the other hand, a defence policy which calls for the purchase of an unspecified number of minesweepers, frigates, helicopters, and conventional submarines is decidedly antagonistic to the conversion of non-nuclear weapons. In place of reliance on the U.S., the conventional-weapons component of the NDP’s defence policy envisages a Canadian military-industrial base supported by industrial and regional development policies, creating greater dependence on arms industry jobs and research and development, and fostering greater pres-
sures for arms exports (as in Sweden). In short, such a defence policy would create a national military-industrial complex based on conventional weaponry. The ideological result of such a policy would be to link Canadian nationalism, at least in part, to this vitalized indigenous militarism.

While there is a significant danger that the non-nuclear aspect of this kind of defence policy would create a full-scale military-industrial complex in Canada, the overall approach could nevertheless provide an opening toward denuclearization. The hope would then be that the creation of the military industrial complex could be delayed and cut back before it generated insurmountable economic and political dependencies. A campaign to deny the procurement of at least some conventional weapons would likely enjoy popular support based on antipathy toward the high costs of the non-nuclear alternative. Where production was already underway, efforts to convert these sites would also benefit from the experience provided by the previous conversion of nuclear weapons-related production. A key determinant would be whether or not a politically viable alternative to the conventional part of such a defence policy could be designed and implemented.

In conclusion, since Canadian military production is shaped by national policies, the resources currently being devoted to scattered, local-level conversion campaigns are destined to be wasted. If Canadian conversion activists are to make a more effective contribution to ending the arms race, they will need to mobilize a broad national campaign to establish national conversion legislation and to implement alternative foreign, defence and industrial policies consistent with these conversion goals. A fundamental reorientation of the peace movement's current strategy will be necessary if the conversion of military production is to succeed in Canada.

Notes

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6. The former president of Litton Systems Canada, Ronald Keating, agreed with this assessment. *Intercom* January-February 1984. Litton’s director of public relations, Charles Pitman, however, pointed to another Litton plant in California, where no conversion group was operating, which did not receive the contract either. While production for the U.S. Air Force’s cruise missile program has diminished, production for the U.S. Navy’s Tomahawk cruise missile program has grown, so that the overall volume of cruise production “was relatively unaffected,” he stated. Pitman also stated that since the CMCP began its campaign, both the plant’s workforce and its ratio of military to civilian production have increased. (Interview with the author, 2 September 1987.)

7. Interview with CMCP members Tom Joyce and David Collins, 12 June 1987. Litton’s Charles Pitman argued, however, that the CMCP had little role in influencing workers to quit. (Interview with the author, 2 September 1987.)

8. According to David Collins, the CMCP also became the model for a number of groups. These include the group attempting to convert the military base at Nanoose Bay, near Vancouver Island; a conversion group at the General Motors plant in London, Ontario; a group in Sault Ste. Marie, Ontario, protesting low-level flights; the Nuclear Awareness Project in Oshawa, Ontario, which is protesting tritium sales by Ontario Hydro; the Halifax conversion coalition that is attempting to convert the Litton plant there; and groups in Labrador protesting low-level flying. (Interview with the author, 14 November 1987.)

9. The CMCP supplied useful information about Litton to The Island Way, the coalition which defeated Litton in Prince Edward Island. [See Roy Johnston and Wendell MacLaine, “Saying No to Litton: Opposing an Arms Plant on PEI,” *Ploughshares Monitor* 8:3 (September 1987), pp. 19-21.] The decisive issue, however, was not peace but the duration of the new jobs that Litton would have created in return for the province’s $9 million contribution to the company. [Patrick Kerans, “Job Blackmail in the Maritimes,” *Perception*, 2 (November, 1986)] It is noteworthy that Litton moved to Nova
It is also noteworthy that Nova Scotia donated $5.8 million to Litton, despite the company's contractual obligation with Ottawa to locate production in the Maritimes in any case. Stephen Dale, "The Boom Bust," Canadian Business March 1988, p. 93.

10. Lorna Moses, the chief organizer of the first of these drives in the early 1980s, believes that most of the workers regarded Litton's defence contracts as their best guarantee of long-term job stability. Consequently, raising the conversion issue in the middle of a union drive was "like mixing gasoline and water." By associating the union with the CMCP, "management used the peace group to fight the union," and the organizing drive failed. Howard Powers, the main organizer of a second drive in 1986, recalled that "every time I put a leaflet out at the plant, it didn't meet with much success because the employees identified it as a peace protest. There were lots of concerns about loss of jobs." (Interviews with Moses and Power, 3 September 1987.)


13. Although Litton Systems (Canada) Limited is a wholly owned subsidiary of Litton Industries Incorporated of Beverly Hills, California, and hence an extension of the U.S. military industrial complex, it is in large measure a creation of Canadian governments which have subsidized Litton Systems (Canada) since at least 1971, and given the company more than $62.8 million since 1980. Under the Defence Industry Productivity Program, Litton Systems (Canada) received $43,435,142 between April 1979 and March 1982, of which $26.4 million were for cruise missile production. See Ernie Regehr, "Canada and the U.S. Nuclear Arsenal," in idem and Rosenbloom, eds. Canada and the Nuclear Arms Race Toronto, 1983, p. 113. In 1987, the government of Nova Scotia gave the company $5.8 million.


15. In most cases this would mean that the workers would voluntarily have to forego normal job controls because of major changes in job classifications. In unionized workplaces, this would likely mean the suspension of normal union representation and collective bargaining.

16. This is especially important where capital-intensive production is built around sophisticated technology since the gestation period between the start of such projects and the time when production begins is often several years.

17. Litton reports that its decision to locate in Nova Scotia was due to "above all, a cooperative and supportive government." ("Investing? — Yes, in Nova Scotia!" Financial Post 16 November 1987, p. 51.)

18. In similar vein, Congressman Weiss' Defence Economic Adjustment Act calls for a Defence Economic Adjustment Council to oversee conversion. In November 1983, Congressman Mavroules introduced a bill requiring advance notification of defence cutbacks, income supplements and retraining grants for workers who lose their jobs, and financing of alternative production plans. In the 1960s and 1970s, the UAW's Walter Reuther, Senator McGovern and Representative Mathias sponsored similar bills. None passed.

19. However, with the current acceleration of military expenditure (a budgeted increase of 6.1 percent for 1988-89) and production in Canada, new tendencies toward the creation of a military-industrial complex are emerging. Despite the decline in the U.S. defence budget this year, Canadian military
sales to the U.S. are not likely to fall very much. As of 1987, the U.S. had a surplus in military trade with Canada of about $2.4 billion (Globe and Mail 4 July 1987) and an additional surplus of $500 million in 1987 (Financial Post 1 April 1987). Under the terms of the Defence Production Sharing Agreement this imbalance should even out over time. Coordination between Ottawa and the military producers is also increasing. Ottawa has established a Defence Industrial Preparedness Advisory Committee made up of key defence suppliers and academics, and the Business Council on National Issues has a Task Force on Foreign Policy and Defence. See Peter Langille, "Developing a Complex," Peace Magazine April/May 1988. No conflict-of-interest guidelines have been established to regulate relations between the government agencies and military contractors. E.J. Dosman, "The Department of National Defence: The Steady Drummer," in Catherine A. Graham, ed. How Ottawa Spends 1988-1989: the Conservatives Heading into the Stretch, Ottawa, 1988. Also see H. Peter Langille, "The Emergence of the Military-Industrial Complex in Canada," Paper prepared for the Canadian Peace Research and Education Association, Learners Conference, Windsor, Ontario, 8 June 1988; Ernie Regehr, Arms Canada: The Deadly Business of Military Exports Toronto, 1987, pp. 99-136; and John M. Treddenick in Canadian Public Policy, p. 89. (See note 2.) Ottawa is also considering setting up a Defence Industrial Research Program to assist Canadian military producers with technological innovations. ("Effects of Advanced Technology on Defence," Address by the Hon. Perrin Beatty, Minister of National Defence, to the Canadian Export Association, 5 October, 1987, Ottawa.) To the extent that military research and development policy is integrated into federal and provincial industrial policies centred on "high tech" growth industries, the linkages between military and non-military firms may become appreciable. Industrial "offsets" for military imports (such as nuclear submarines) and a wide range of subsidies are now being used to shape a Canadian defence sector capable of competing in international markets.

20. Over half the military contracts in Canada are taken up by firms that are at least 70 percent U.S.-owned. Stephen Clarkson, Canada and the Reagan Challenge, Crisis and Adjustment, 1981-85 Toronto, 1985, p. 260.


22. According to a report prepared by the Ontario Legislative Research Service for Mr. R. Runciman, MPP, dated April 1983, fifty percent of Canada's military production takes place in Ontario. Cited in William J. Yost, Industrial Mobilization, p. 61. (See note 1.)

23. Recently, capital expenditures have begun to take on a clear regional bias, however. The Ministry of Regional Industrial Expansion, which has responsibility for both the Defence Production Sharing Agreement and the Defence Industry Productivity Program (which provides financial assistance to military producers), has a new Industrial Benefits Policy which includes "long-term industrial and regional development in the form of Canadian content, or technology transfers, licensing arrangements, product mandates, and joint development and production arrangements with foreign contractors. This policy also focusses on special measures for disadvantaged regions." W.J. Yost, Industrial Mobilization, p. 78. (See note 1.) In December 1987 Ottawa awarded a $2.7 billion contract to St. John's Shipbuilding of New Brunswick for another batch of frigates. At Goose Bay, Labrador, low-level test flights are a job creation scheme qualifying for $93 million in "regional development" assistance. Moreover, while the Free Trade Agreement single quotes excludes manufacturing subsidies generally, subsidies for military production
are exempted, so the regional development aspect of military production will be further enhanced in the event the agreement is implemented.

24. This is one of the reasons, one suspects, that there has been a relatively strong base to the peace movement in Quebec. See Eric Shragge and David Mandel, "Trade Unions and Peace — Lessons from Quebec," in Eric Shragge et al. eds. *Roots of Peace: The Movement Against Militarism in Canada* Toronto, 1986.


27. A Greater London Conversion Council, consisting of trade unionists, peace activists, engineering specialists, and a representative of the Ministry of Defence was set up to deal specifically with the conversion of military production. (Suzanne Gordon, "Economic Conversion Activity in Western Europe," in Suzanne Gordon and Dave McFadden, eds. *Economic Conversion: Revitalizing America's Economy* Cambridge, Mass., 1984.)


30. Bruce Birchard in *Win*, p. 7. (See note 28.)


33. Because most current military production does not have a civil antecedent, conversion is more difficult. For details, see Thorsson, *In Pursuit*, vol. 2, p. 73. (See note 29.) See also Paula Rayman, in *Beyond Survival*, p. 198. (See note 5.)


36. William D. Hartung, *Economic Consequences*, p. 91. (See note 4.)


40. See note 18.

41. Thorsson *In Pursuit*, vol. 2, p. 79. (See note 29.)

42. It was during the conversion of production at the end of World War II that "pattern bargaining," which relegated issues of control of the shop floor to secondary importance, was set in place in the auto sector. (Lichtenstein,
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44. Since polls indicate that more than three quarters of Canadian adults support membership in NATO, the New Democratic Party could suffer significant electoral losses if it were to call for immediate withdrawal. The danger would then be that the NATO issue and related parts of the 'peace agenda,' including conversion legislation, would become off limits to the caucus and bureaucratic 'realists' who dominate the party.