Liquor and the Liberal State

Contents

List of Tables and Figures / ix	List	of 7	ГаЫ	es	and	Fig	ures	/	ix
---------------------------------	------	------	-----	----	-----	-----	------	---	----

Preface and Acknowledgments / xi

Introduction: Arguing over Liquor and Liberalism / 3

Part 1: Managing the Province's Liquor Problem

- The Place of the Government in the Drinks of the People / 21
- 2 Centralization, I: The Crooks Act / 46
- 3 Power and Influence in the New System / 64
- 4 Politics, Law, and the License Branch / 96

Part 2: The Complications of Liquor in a Federal Liberal State

- 5 How Drinking Affects the Constitution, 1864–83 / 117
- 6 McCarthy and Crooks Enter a Tavern, 1883–85 / 141
- 7 Attempting to Water Down the Scott Act, 1884–92 / 158

viii Contents

- 8 Plebiscites as Tools for Change? 1883–94 / 172
- 9 Talking and Blocking National Prohibition, 1891–99 / 197
- Dodging Decisions at the End of the Liberals' Era, 1894–1905 / 234
- II Drinking in Whitney's Conservative Liberal State, 1905–07 / 257
- 12 Centralization, II: Beyond the Crooks Act, 1907–16 / 295

Conclusion: Liquor, Liberalism, and the Legacy of the Crooks Act / 309

Appendix 1: Questions Sent by the Select Committee / 321

Appendix 2: Liquor-Related Laws in Force in Ontario / 325

Notes / 327

Index / 375

Introduction: Arguing over Liquor and Liberalism

L iquor complicates liberalism. Poised on the pillars of freedom, equality, and property, the liberal state has confronted few challenges so intractable as those presented by the pursuit of distraction through intoxication. The individual's right to self-determination is fundamental to liberalism, as is the role of the state in removing impediments to achieve that freedom. But when some people see it as their right to pursue alcohol-induced recreation, and others view that distraction as an impediment to their ability to realize true freedom, how should the state respond? What does a government do with an industry that allows individuals freely to indulge in ethereal amusements that may drain the family resources and lead to drunkenness and disorder? And even if you accept as legitimate the state's role of regulating such an industry, what about regulating the activities of the people? How do we balance the rights of the individual against the rights of the overall population? Is it appropriate to constrain an industry because some of its customers might overuse its product? Is it appropriate for a liberal state to impose something so illiberal as prohibition of an industry on people who want to consume that industry's products? Is outright prohibition even possible? What, then, is the role of the liberal state in managing the activities, recreation, and pleasures of the individual?

As in many places in the last half of the nineteenth century, the residents of the province of Ontario wrestled with these questions either indirectly or directly, repeatedly, and sometimes with passionate intensity. Some of the discussions were local, parochial, and limited in their impacts on the broader society, whereas others were fundamental, reaching into the heart

of what kind of society would emerge from the framework of the British North America (BNA) Act. More than just affecting the drinking behaviours or consumer choices of everyday people, the liquor issue helped to shape fundamentally the role of governments in the newly formed country. It was central to key arguments about the powers deployed at different levels of government, from municipal councils whose neighbourhoods experienced the direct impacts of looser or tighter licensing restrictions to the provincial and dominion governments that were charged, within their constitutionally defined realms of authority, with overseeing different elements of the liquor trade. Many of these arguments also reached to more profound considerations of the nature of democracy in the new country, the degree of intervention a government (or governments) should be allowed to have in the lives of individual residents, and what such involvement in people's lives said about the form of liberal democracy being developed in this Dominion of Canada. In both subtle and overt ways, liquor had a tremendous impact on the development of the country.

Some of this impact was constitutional. The BNA Act assigned specific authorities to provinces and others to the dominion (federal) government. These authorities often overlapped. For example, section 92(9) of the Constitution specifically granted provinces the right to license taverns for revenue purposes, but section 91(2) assigned the authority over trade and commerce to the dominion government. This was one of several areas of jurisdictional fuzziness that often required judicial interpretation. Indeed, the first case heard by the Supreme Court of Canada, legislated into existence just under a decade after the country was formed, involved the rights of the provinces to require breweries to hold a provincial license.² Subsequent cases sought to define provincial and federal jurisdictions relating to the licensing, manufacture, and sale of liquor. The precedents set by such decisions, sometimes confirmed and sometimes overturned by the final court of appeal, the Judicial Committee of the Privy Council, at the jurisprudential heart of the empire, resonated well beyond the seemingly narrow confines of section 92(9). As John Saywell has argued, decisions related to liquor made by the Judicial Committee, a group of lords (ideally) with legal expertise and several judges, ultimately limited the extensive federal authority that the authors of the Constitution had intended.3 These limits joined other changes at the end of the century to complicate dominion-provincial jurisdictions.4

More of the impact of liquor on the operations of the state was local, cultural, and philosophical. From the beginning of the 1870s into the second decade of the twentieth century, municipal governments,

businesspeople, temperance advocates, ministers, politicians, and everyday residents debated whether, how, and to what extent the state should interfere with the lives of the people. Part of this debate emerged from an absence in the British North America Act itself: prior to Confederation, municipalities had the right to issue licenses to sell liquor to taverns, saloons, and shops. But the BNA Act did not designate powers to municipalities: it conferred no rights or authorities on any political unit smaller than a province or territory. It did specify, however, that laws in force at the time of Confederation would remain in effect until a legislature chose to change them, and this included laws governing municipalities. As a result, until the government of Ontario decided to look at the system of liquor distribution across the province, municipal councils had the authority to issue licenses, collect fees, and enforce the provisions of the Act Respecting Tavern and Shop Licenses. Local licensing soon became problematic, and in the 1870s the provincial government, urged by concerned citizens to do something about what many saw as rampant drunkenness, decided to change how liquor licenses were distributed, thus taking more direct control over the administration of the law. This single act of oversight engaged the provincial government in an ongoing and increasingly complex regulatory project. Its effects are still felt today.

This book traces those changes. The original question driving this research was a simple one: How different was the liquor licensing system before Ontario's experiment with prohibition (1916-27) from the one that replaced prohibition and created the Liquor Control Board of Ontario? It emerged from my work on post-prohibition liquor control and admits a blind spot in the history of liquor licensing. Historians often divide the liquor system in North America into three separate periods: pre-prohibition, post-prohibition, and (of course) prohibition. The latter period has received the bulk of attention, driven no doubt by the salacious stories of rum running, gangsters, violence, and subversive partying, along with a general incredulity that an entire society would ever ban liquor.⁷ Reproduced in popular culture, mass media, and casual conversations, this perception usually appears as characterizations of the period either as some kind of collective madness or as policy decisions driven by a retrograde evangelical temperance movement that somehow got its hands on the levers of power. The story, of course, is much more complicated, and such generalizations do no justice and give no credit to the people and the period under investigation. Although the reasons that prohibition became law are addressed only briefly at the end of this book, the long period of licensing, increasing regulations on liquor, constraints

on where it could be sold and consumed, discussions of different ways to manage the liquor traffic, and indeed questions about the role of the state in the lives of the people, illustrate how prohibition was not the result of episodic madness but simply one of several options for how best to deal with the complications of liquor.

Although recognizing that the impetus for prohibition was more complicated, nuanced, and socially popular than some might appreciate, this book is decidedly not an apology for the temperance movement. It is true that the vocal and passionate advocates of temperance (the "Drys") were progressives who saw the elimination of the liquor traffic as a major step toward creating a utopia, or a Kingdom of God on Earth. They saw their efforts as benign attempts to elevate the downtrodden and represent the wishes (so they thought) of the disadvantaged. But theirs was not necessarily a hegemonic vision. Many people, often a majority of residents, disagreed with, or at least did not fall in lockstep behind, the Drys. One thing often overlooked in the historical record of the temperance movement is that its adherents were often more idealistic than pragmatic. Faced with the challenges of implementing prohibition, and repeated arguments that it would be difficult to enforce any law that constrained an activity that many people enjoyed and that would result in a tremendous loss of government revenue, many temperance leaders simply shrugged and said that the government would figure it out. Once prohibition was enacted, they reasoned, all would be better. Faced with examples of various experiments with prohibition that had not worked, they simply argued that it had not yet been given enough of a chance or that it was not a well-conceived version of the ideal form: the total suppression of the liquor traffic. Faced with the argument that many people who did not support complete prohibition were also not rapacious representatives of the drink industry or slobbering drunks, prohibitionists doubled down on righteousness; because they saw the world through the binary of "you're either with us or against us." If you were not a teetotaller, you were part of the problem. And, faced with persistent and unequivocal examples of alternative and enforceable ways to mitigate the damage done by an unfettered liquor industry (in effect by fettering that industry), prohibitionists simply said that there could be no compromise with liquor, which would be tantamount to compromise with the devil. Reading the many letters, articles, and testimonials of temperance adherents who pushed for nothing less than the total suppression of the liquor traffic, I realized that these adherents clung to a vision of the role of the state guided by the ideal of a moral society rather than the reality

of practical policy making, a bloody-mindedness that made them both righteous and unrealistic. Opponents could, and did, characterize (and caricature) them as irrational individuals dismissive of the messiness of governing in a pluralistic liberal state.

More profoundly, the arguments for and against prohibition revealed an aspect of the liquor question that altered the direction of my research: everyone seemed to be articulating different views of the role of government in the liberal state. Prohibitionists wanted to destroy the liquor traffic because it interfered with the idea of individual freedom. Thereby they would liberate people from the bondage of liquor and allow them to be truly free to pursue a moral life. Opponents of prohibition, many of whom were either moderate drinkers or even abstainers, countered with their own vision of liberty, one in which the state played as little a role as possible in the lives and industriousness of the people and in which the individual was free to pursue his or her own enjoyment and make his or her own mistakes. They rejected the images of the predatory liquor dealer and an unwitting victim, preferring to see the debate to be about constraints upon a legitimate industry that could flourish and enrich the nation, and restrictions on the autonomous individual who could choose whether or not to consume its products. The discussions about liberalism were also discussions about the appropriate constraints on the use of individual property. Ideally, the government would place as little restriction as possible on the activities of industries, but by the end of the nineteenth century, governments were taking a more active role regulating problematic businesses.¹⁰ The state was expanding, but to what degree it would interfere in the lives of individuals and industries remained the topic of intense discussion.

Prohibitionists, many of whom professed evangelical Christian beliefs, claimed to have God on their side; opponents of prohibition drew from other ideals. John Stuart Mill was no god, but he was certainly the patron saint of liberalism. In *On Liberty,* he criticized arguments about liquor prohibition in the United States and the push for overly restrictive liquor laws in Great Britain. Mill contended that private consumption of fermented beverages was an individual act and not within the purview of the state. Moreover, he noted that even though the state did have the authority to regulate "social acts" (such as selling liquor), such regulation encroached on a private, individual act (drinking that liquor) and was therefore contrary to liberalism." Mill also argued that few people would want their recreational activities to be regulated by the "religious and moral sentiments of the stricter Calvinists and Methodists." Indeed,

Mill viewed the tendency of some reformers to zero in on the activities of others as incredibly dangerous to the liberal state. He argued that the idea that "every other individual shall act in every respect exactly as they ought, that whosoever fails thereof in the smallest particular ... violates my social right," was "far more dangerous than any single interference with liberty; there is no violation of liberty which it would not justify."¹³ Clearly troubled by the tendency among zealous religious types to push their views on others, he asked whether people whose liberty was interfered with in that way would not "desire these intrusively pious members of society to mind their own business."¹⁴ Such arguments, whether directly or indirectly linked to his words, were at the heart of resistance to the "intrusively pious" temperance movement, a resistance that saw such zealousness to be antithetical to the rational individual on whom the liberal state depended to operate effectively.¹⁵

Liberalism and the liberal state in Canada have been topics of considerable investigation in the past few decades. Spurred especially by Ian McKay's contribution to a Canadian Historical Review forum on "The Liberal Order Framework," historians have interrogated the various ways that liberalism has been debated and implemented or rejected in the long history of the northern part of North America. McKay argued that "the category 'Canada' should ... denote a historically specific project of rule" and that, rather than defining Canada as a single entity, historians would be better advised to consider it as the "implantation and expansion ... of a certain political-economic logic ... liberalism." 16 How liberalism functioned and how it was shaped within a Canadian context are important factors when interrogating this project of rule. Subsequent works have sought to engage with McKay's manifesto, either critiquing or expanding its stated mission for historians. The liberal order framework provides this book with a strong conceptual tool. It is especially useful in two ways: first because McKay's call to action is about the idea of Canada as a manifestation of liberalism; second because the "framework" is about order. The liberal order was interested in an orderly society within a country whose government's key role was "peace, order and good government." Concern about disorder was the impetus for the Ontario government to take a more active role in liquor regulation. Debates about the role of the liberal state in a context shadowed by very real concerns about constructing an orderly society are important ways to understand the liberal order. Indeed, many of the constitutional debates that wrestled with the authority of dominion or provincial governments to legislate liquor engaged with the complexity of liberalism itself.

Seizing on the liberal order framework, many historians have offered nuances, modifications, contradictions, and comparisons that help us to see the various forms of liberalism and the different ways in which the liberal state might operate. For example, some historians, following McKay, have emphasized the role of the state in protecting property and facilitating capitalist accumulation.¹⁷ Others have focused on the "liberty" part of liberalism, exploring in some depth how that liberty was contested, confirmed, and protected.¹⁸ As Philip Girard puts it, "this renewed interest in liberalism in Canada's past did not give rise to much discussion of liberty."19 Liberty was central to the idea of Canada, but, as Michel Ducharme has indicated, it was a specific type of liberty. In his pathbreaking study on the idea of liberty in Canada between the American Revolution and the Rebellions of 1837-38, Ducharme explores two versions of liberty at play. Liberal revolutionaries articulated a "republican" liberty centred on the sovereignty of the legislature and captured in the catchphrase "liberty, equality, fraternity (community)." This idea of liberty was set against a "modern" liberty that emphasized the sovereignty of the individual along with liberty, property, and security.²⁰ Ducharme argues that the modern idea of liberty prevailed in Canada, creating the type of liberalism upon which Canada was founded. Modern liberty begat the liberal state, mandated by the people to facilitate the individual's liberty to pursue his (gendered pronoun intentional) chosen future. Many people in English Canada who engaged in the debates about liquor emphasized the elements of this modern liberty. Government, to them, was supposed to support the freedom and property of the individual; defining what that freedom looked like and indicating how it was to be protected comprised a central tension of the liquor question.

Several authors have illustrated how values of liberty and property were interconnected. Girard notes that the form of tenancy implemented in Prince Edward Island, in which a proprietor elite controlled most of the land, was contested by residents who saw such systems as contrary to principles of liberty. Similarly, the issue of property and traditional rights in the operation of the seigneurial system created points of tension between tenants and landlords in Quebec. In her study of tenancy in Ontario, Catharine Anne Wilson argues that the idea of freedom was so essential to immigrants who sought land in the province that the tenantry system was rarely mentioned in literature that encouraged immigration. Tenantry was anathema to liberalism because a tenant was in a state of dependence. Bruce Curtis has noted that the framers of the Constitutional Act of 1791 had "hoped for the creation of a Canadian aristocracy through

the distribution of colonial lands," but that did not come to fruition, and the "exceptionally liberal" legislation in 1791 created a freehold franchise and an executive branch not based upon hereditary title, all elements of a nascent liberal state.²⁴ In these cases, we see ideas of property rights intertwined with ideas of liberty along with a rejection of the traditional systems of elitism in favour of some kind of representative democracy.

How the liberal state operates to protect those values has also been a matter of debate. Critiquing McKay's liberal order framework as based upon a too-narrow understanding of liberalism, Robert Macdonald notes that, in the liberal state, those three pillars of liberalism (liberty, equality, property) were joined by "rationality, a belief in rational change, a commitment to legality and constitutionality, and a concern for the general good."25 These elements appear in different forms of liberalism, and the difference in jargon becomes confusing. By the late-Victorian and early Edwardian periods, the "classical liberalism" of the middle class (a version of Ducharme's "modern" liberalism) – supporting individualism, property rights, lower taxes, and limited government – was counterposed with a "radical" liberalism that rejected monopoly and resisted elites and a "new liberalism" that was "far more deliberately collectivist." This latter form of liberalism argued for more active state intervention in the lives of the people in order to correct extreme social disparity. Macdonald reminds us that Mill himself said that individual liberty had meaning "only within the collective identity provided by local self-governing units."26 These additional concepts – including the standardized governance of municipalities, the tension between individual and collective rights, and the emphasis on rationality, legality, and constitutionality – were manifested, deliberated, and persistently critiqued in debates about liquor. They were also intimately interconnected. Discussions of property rights included things such as limited economic intervention, an element of trade freedom. Those of equality included issues such as fairness and justice, equal treatment under the law, and common civic responsibilities. Liberty was embedded in all of these things.

The protection of liberty and property and the implementation of a legal system based upon equality were not just ideas, for they needed a state apparatus to operate. Thus, numerous authors have examined the implementation of the liberal order throughout society. They have emphasized that self-government was a crucial component of liberalism but that, in order to function effectively, provincial governments sought to rationalize how municipal governments operated.²⁷ Michèle Dagenais observes that provincial governments sought to standardize the

structure and function of municipal governments, removing subjectivity and in effect turning municipal governments "into abstractions," rational models of government that could be understood without understanding specific, subjective local contexts.²⁸ This was necessary, she argues, to ensure that a government "founded upon the principle of liberty" could ensure "the orderly and proper functioning of society" rather than "resulting in chaos."²⁹ Similarly interested in the connection between the central government and the activities of individuals at the local level, Bruce Curtis has argued that, even though one of the key elements of liberalism is individualism, the liberal state had to develop a collective affinity for the operation of government in order to function effectively. He points to the development of various provincial bureaucracies, notably the public education system, as part of a process of standardizing how the liberal state operated to shape the individual and strengthen the relationship between the individual and that state.³⁰ The rational individual raised, educated, and shaped by the apparatus of the liberal state would then, ideally, actively protect the values of the state. 31 Similarly, the process of developing a centralized liquor licensing system engaged the citizenry in a constant interplay with provincial governments, permitting some form of local autonomy under the dispensation and observation of a central license office. By the end of the period under study, that connection was both pervasive and generally accepted as standard, despite persistent complaints about its dysfunction.

As a philosophy centred on the individual, liberalism hinged on the type of individual nurtured by and involved in the operation of the state. This ideal citizen, who would both enjoy the benefits of the liberal state and mould its form, was the "rational actor." As McKay and others have argued, the strength of liberalism hinged on the ability of rational individuals to engage in the sort of debate that shaped the structure of the state. Curtis notes that liberty was "antithetical to dissolute personal habits, to irregular sexual unions, to religious idolatry, to sloth and disease."32 His work has been especially useful in describing the way that the education bureaucracy was developed to inculcate and reproduce this idealized individual.33 Yet liquor upended this expectation in two ways. First, and most obviously, a person under the influence of liquor, especially one habitually drunk, could not be considered to be acting rationally (notwithstanding rumours of Sir John A. Macdonald's drinking tendencies). Drunks, therefore, represented a danger to the liberal state in their wilful tendency to do something that corrupted their rational faculties. In his study of smoking in Montreal, Jarret Rudy shows how assumptions about the rational actor in liberalism shaped ideas of who was able to use tobacco appropriately: white men could exercise self-restraint, whereas women and ethnic outgroups were too irrational to act appropriately.³⁴ With respect to liquor, prohibitionists saw these sorts of illiberal tendencies as endangering the future of the state. Yet prohibitionists did not get off scot-free. Their passion represented a second complication for liberalism: the tendency for rational discourse to be replaced by (irrational) histrionics. Repeatedly, prohibitionists were referred to as "cranks" or "fanatics," or similar terms denoting excessive, irresponsible passion. Why would you listen to such crazies when shaping rational policy? So both the consumption of alcohol to excess and the excesses of the campaign against alcohol represented irrational threats to the liberal order, with an emphasis yet again on order.

The intersection of liberalism and liquor was not unique to Ontario, let alone Canada. Researchers of the British liquor traffic in the nineteenth century have been especially vigorous in exploring the connections between government and the liquor trade. In the United Kingdom it was a much more assertively political and overtly divisive issue. This research has also investigated the range of options open to regulators as tensions built between temperance supporters (less consistently evangelical in origins than their North American colleagues) and the "drinks industry" (far larger and much more established than that in Canada). John Greenaway has considered the broad process of liquor policy formation as a tension between different views of the place of the state in the lives of the people. He notes that even classical liberals such as Mill were not entirely against constraints on the liquor trade, but that policy had to follow public opinion, not be in advance of it. 35 James Nicholls observes that the temperance movement revealed "deep divisions within political and cultural liberalism" between those who "located freedom in individual liberty (including the liberty to drink)" and those who thought that freedom was to be achieved "by progressive legislation ... however much that progress may involve the restriction of personal liberties."36 Unlike in Ontario, in Britain the "drink question" became wrapped in partisan interests, with the Conservatives allying with the alcohol industry and the Liberals with the temperance movement.³⁷ This might explain why, as Greenaway notes, by the beginning of the twentieth century, discussions of liberties in the issue of drinking had been replaced primarily by discussions of property rights (mostly those of brewers) and revenues since these issues typified the differences between Liberals and Conservatives.³⁸

The British literature varies significantly from the sizable research undertaken on Canada's closest neighbour. Studies of liquor and governance

in the United States have looked, for the most part, at the growth and development of the temperance movement with an eye on prohibition. It is not an insignificant issue, for temperance developed relatively spontaneously in the United Kingdom, United States, and Canada near the beginning of the 1800s, and both Canada and the United States experienced different forms of national prohibition a century later.³⁹ Nevertheless, the debates in the United States tended to be about the legal implementation of different forms of control and the intersection of the ideal of freedom in the American republic with the notion that liquor was a threat to that ideal. Such discussions connected to the broader liberal project, and there was considerable cross-pollination across the Atlantic and beyond. Indeed, Canadians arguing for or against strict controls on liquor, or even its prohibition, drew inspiration from both the United States and the United Kingdom. To be sure, temperance organizers moved easily across the land border. Nevertheless, as I will explore in this book, the liberalism to which most Canadian commentators referred was a distinctly British form. Even though it appeared in the collectivist arguments of evangelical Drys and the laissez-faire arguments of the Wets, Americans' republican liberalism was often decried as contrary to the ideals that Canadians emulated and to which they aspired.

Throughout the English-speaking world, then, the principles of liberalism had been found to be potentially dangerous when applied, well, liberally, to the drink issue. As both David Beckingham and James Nicholls have demonstrated, the idea of freedom in trade was taken to an extreme under the Beer Act of the 1830s. This legislation, designed by a Conservative government as an attack on both the "long-established monopoly power of brewers" and the "seemingly arbitrary and certainly unaccountable authority of licensing magistrates," created a relatively cheap "beer house" license issued by excise officers. The move was intended as a liberal reaction against the powers of elites, specifically magistrates, and the tendencies toward monopoly implied in the power of the brewers. 40 Magistrates' decisions had seemed to be subjective and arbitrary, based upon a cluster of considerations, including the "needs" of a neighbourhood and the character of a licensee.41 The Beer Act backfired spectacularly, and the number of public drinking establishments exploded.⁴² The city of Liverpool, for example, with a population of 165,175 in 1831, added 800 licensed premises in three weeks, increasing the proportion of pubs to one for every twenty-nine families. 43 Across the country, over 24,000 new beer shops opened in the first year, many in poor neighbourhoods. The Beer Act certainly constrained the magistrates but did little to weaken

brewers, whose economic power allowed them to keep their houses in operation by undercutting the new competition.⁴⁴ The law was restrained by legislation in 1834 and 1840, but the system of licensing by excise officers remained in place until 1869.⁴⁵ Along with demonstrating the dangers of overly liberal liquor licensing, the Beer Act added another institution to the range of public drinking spaces in the United Kingdom: to inns (places of food, drink, and lodgings) and alehouses (with long histories as places to procure ale made on the premises) were added beer houses, generally lower-status establishments for drinking beer, whether or not it was brewed on the premises. Such institutions were reproduced in pre-Confederation liquor laws but modified in post-Confederation Ontario.

As in Britain, in Canada before Confederation, liquor was generally a municipal responsibility. As noted above, pre-Confederation laws granted municipal councils authority over licensing and over determining how licenses would be granted and how laws would be enforced.46 With few constraints, municipal councils could increase the number of licenses in order to generate more revenue. But they were often reluctant to annov tavern keepers, who - having a captive audience of collegial drinkers, selecting the politically biased newspapers to keep on hand, and willing to host meetings for like-minded politicians – were politically powerful in many small communities.⁴⁷ This arrangement created the volatile mix of liquor and politics, and using liquor licensing to boost municipal revenue could be especially attractive during the depression of the 1870s. 48 Combined with the power of basic market forces, it meant that more taverns were being licensed and had to sell more liquor to recoup the cost of the license. From there, the fundamentals of supply and demand economics kicked in. More taverns meant a greater supply of liquor, which meant that tavern keepers, who needed booze revenue to survive (and to pay the licensing fee), had to drop their prices to encourage sales. Lower-priced liquor meant more drinking; more drinking could lead to more drunkenness. At the same time, the low licensing fee and easy turnover in liquor created a disincentive for tavern keepers, many of whom were expected to have sleeping accommodations for travellers, to do anything other than sell booze. The Liberal government of Oliver Mowat found such a system to be untenable, productive of both disorder and persistent complaints from concerned citizens and the worst examples of a nearly free market, and took action to address it.

To investigate the long process of change in Ontario's licensing system, I follow the modifications to liquor regulations from Confederation to the First World War. These dates are not just the convenient historical

benchmarks. Confederation was the moment when, constitutionally, municipalities disappeared and provinces could take control over whichever aspects of municipal life they believed needed more centralized guidance. At the same time, the Constitution created a situation in which provincial and dominion rights had to be established through a legal forum. The First World War spurred the advent of provincial prohibition. In 1915, the provincial government created a centralized Board of License Commissioners, sweeping away the changes that had begun in the 1870s and establishing a licensing system designed to reduce many of the administrative challenges of the previous forty years. The next year, facing calls for the elimination of the alcohol traffic that were grounded in concerns about the future of the nation framed by mobilization for total war, Ontario followed other provinces into that undiscovered country of prohibition. One should not assume, however, that prohibition was inevitable. It came about as a result of war, and the arguments about the freedom of the individual and of business were secondary to the arguments about the freedom of the nation in the face of a seemingly illiberal enemy. Indeed, if we wanted to engage in metahistorical speculation, it seemed that, immediately before the war, prohibitionist arguments were losing steam. The long period of change – tweaking the prices of licenses, adjusting where and when people could buy and consume liquor, and establishing increasingly bureaucratic processes to oversee and control the actions of the people with respect to alcoholic beverages – shaped the cultures of drink and the assumptions about the appropriate location, time, and manner in which someone could consume alcohol. These cultures of drink persisted throughout prohibition and influenced the structure of legal drinking under liquor control after 1927.49

The book proceeds generally chronologically in two sections. The first section looks at the process of creating and implementing a significantly revised liquor licensing system in 1876. After several investigations of the operation of municipal licensing in the mid-1870s, the government of Oliver Mowat passed a heavily revised Act to Amend and Consolidate the Law for the Sale of Fermented or Spirituous Liquors, credited to Treasurer Adam Crooks and commonly called the Crooks Act. This law removed the direct role of licensing from the hands of municipalities, required all inspectors to be employees of the province, divided the province into license districts, and appointed an unpaid, three-person Board of License Commissioners for each district. It thus expanded the bureaucracy of liquor licensing and centralized its administration in a "License Branch," variously attached to the provincial secretary or treasurer. The

first four chapters address how that system emerged and operated. The chapters in Part 2 trace the politics of drink at all levels of government in Canada across the period, from the 1870s to the enactment of prohibition in Ontario in 1916. It is not a positivistic narrative of improvement and "evolution," but rather it traces the different paths down which the liquor question could lead policy makers and shows which routes they took.

There are parallel tracks here. While the province was managing and modifying the licensing system, politicians at provincial and dominion levels, as well as the advocates of prohibition and the liquor interests, were wrestling with various attempts at local prohibition, known as local option. Under local option, electors in municipalities could vote their communities dry. This initiative related initially to a pre-Confederation local option act called the Dunkin Act, which applied only to Quebec and Ontario. In 1878, the dominion government of Liberal Prime Minister Alexander Mackenzie passed the Canada Temperance Act, championed by Senator Richard Scott and called the Scott Act, which updated the local option provisions and extended the local option system to the entire country. The relationship between the dominion and the provinces with respect to liquor continued to be debated as Sir John A. Macdonald's Conservative government attempted, unsuccessfully, to take over liquor licensing in the early part of the 1880s and as the provinces attempted, with more success, to gain the authority to implement province-wide prohibition in the 1890s. As these changes unfolded at the national level, the government of Ontario continued to wrestle with the issue of how best to constrain but permit drinking. At the political level, leaders were reluctant to upset either the temperance advocates or the liquor interests until Conservative Premier James Whitney ended the thirty-four-year reign of the Liberals, brushed off the demands of the temperance movement, and rejected prohibition entirely. Ten years later prohibition was the law of the land under a different Tory premier in significantly different geopolitical conditions. That is the structure of the narrative, but this analysis will require us to jump around, between the 1870s and the 1890s, between Ottawa and Toronto, between the municipal affairs and the national context, in order to understand how liberalism was squeezed and prodded to deal with the complicated, intractable liquor question.

The regulation, control, and potential for prohibition of intoxicating and recreational substances remain major issues of discussion and probably will for some time to come. Not only cannabis legalization but also tobacco restriction, vaping, gambling, prostitution, and other stars in what John Burnham called the "vice constellation" remain significant

and important areas of concern for policy makers, social commentators, and activists. Although alcohol and other substances of recreation and intoxication vary in myriad ways, the systems of thought behind them and the justifications for regulation and restriction, and especially for prohibition, need to be scrutinized constantly and assessed against a backdrop of the pragmatism of enforcement, the implementation of harm reduction, and the fundamental values of our society. The imposition of government in our lives can be salubrious or sinister, and this book offers an investigation of a process that, depending on who you read, might be both.

© UBC Press 2022

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, without prior written permission of the publisher.

Library and Archives Canada Cataloguing in Publication

Title: Liquor and the liberal state : drink and order before prohibition / Dan Malleck. Names: Malleck. Dan, author.

Description: Includes bibliographical references and index.

Identifiers: Canadiana (print) 20220132747 | Canadiana (ebook) 20220134588 |

ISBN 9780774867160 (hardcover) | ISBN 9780774867184 (PDF) |

ISBN 9780774867191 (EPUB)

Subjects: LCSH: Drinking of alcoholic beverages – Government policy –

 $Canada-History. \mid LCSH: Drinking \ of alcoholic \ beverages-Government$

policy – Ontario – History. | LCSH: Liquor laws – Canada – History. |

LCSH: Liquor laws – Ontario – History. | LCSH: License system –

Canada – History. | LCSH: License system – Ontario – History. |

LCSH: Prohibition - Canada - History. | LCSH: Prohibition -

Ontario – History. | LCSH: Liberalism – Canada – History. |

LCSH: Liberalism - Ontario - History.

Classification: LCC HV5087.C3 M35 2022 | DDC 364.I/73097I—dc23

Canadä

UBC Press gratefully acknowledges the financial support for our publishing program of the Government of Canada (through the Canada Book Fund), the Canada Council for the Arts, and the British Columbia Arts Council.

This book has been published with the help of a grant from the Canadian Federation for the Humanities and Social Sciences, through the Awards to Scholarly Publications Program, using funds provided by the Social Sciences and Humanities Research Council of Canada.

UBC Press
The University of British Columbia
2029 West Mall
Vancouver, BC V6T 1Z2
www.ubcpress.ca