

An Enterprising Conference

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If the three works reviewed here say anything in general to all readers of this journal, it is the importance of clearly specifying one's theoretical/ideological position in one's analysis. It simply is inadequate for social analysts in the region to hide their own theories under the thoroughly discredited guise that they are letting the facts speak or that others are being too polemical. More than ever we need to join history and the human sciences and neither bury ourselves in 'the facts' nor in the heavens. If the three demonstrate anything specific with respect to the title-question of this review, it is that the question still awaits much more detailed and informed analysis. Serious scholarship cannot accept at face value that

Co-operation is a religion pure and simple. It is something which all your senses recognize and long for in proportion to the good there is in you.²

Surely 'good' 'little people' and good little analysts need to ask more critical questions.

R. JAMES SACOUMAN

2 *Grain Growers' Guide*, 18 October 1911.

An Enterprising Conference

Since the 1920s "regional disparity", as Maritimers viewed it, or "Maritime underdevelopment", as it seemed to many central Canadians, has remained a perennial topic of controversy and concern. Since 1970, however, fresh scholarly interest has added new methodologies, dimensions, and intensity to the subject. Newfoundland has been at the eastern end of this new wave of Maritime or Atlantic studies, and the present volume of Proceedings of the Second Conference sponsored by the Maritime History Group of Memorial University of Newfoundland, *The Enterprising Canadians: Entrepreneurs and Economic Development in Eastern Canada* (St. John's, MUN, 1979), edited by Lewis R. Fischer and Eric W. Sager, underlines Memorial's role in the movement. At the western end are those responsible for the initiation of the modern *Acadiensis*, especially the founding members from the Department of History in the University of New Brunswick. Between these geographic limits, industrial Cape Breton has prompted innovative, class-oriented and Marxist studies of labour's political and social condition and protest. Unfortunately, the rest of Nova Scotia has not been so generously treated, much of New Brunswick even less so, and Prince Edward Island only occasionally. The new Atlantic literature is thus very uneven. Those first on the scene have presented broad syntheses of Mari-

time history and of regional underdevelopment. As the volume under review suggests, others are now turning to less lofty subjects and are undertaking the painstaking parish level of studies that should precede further attempts to produce comprehensive analyses. It is not surprising that the volume often exhibits the confusion in scale and in definition that may accompany a period of transition.

To an older generation the reasons for the economic decline of the Maritimes were remarkably simple. Popular Maritime opinion emphasized the failure of Maritime politicians to strike a better bargain with conspiring and greedy Canadians at Confederation. More sophisticated analysts found explanations in long-term scarcities of natural resources, reliance on staples exports, and the overpowering size of external capital and of new transportation technologies.¹ Even the region's mid-nineteenth-century Golden Age was seen as illusory, for external events like the Crimean and American Civil War had provided only temporary and highly circumstantial market opportunities for Maritime shipping and export activity.² With Confederation, other factors hastened the "inevitable" decline: locational disadvantage, capital depletion, the lack of a local metropolitan centre, and the impact of new tariff structures on a free trade economy and a primitive system of public finance.³ More recently, the region's basic social and cultural fabric has been attacked as a source of the area's "conservatism" (for which read "backwardness") and of its "localism" (read "parochialism"). In their defence of local values Maritimers have been belittled as unprogressive and from misapplied American historiography, even as "paranoid".⁴

The older critics also found little foundation for the charge that Confederation was the source of Maritime decline, because eastern regional regression was regarded as inevitable in purely local terms and in relation to world trading patterns. Maritimers should then have possessed both the vision and the grace to

1 J.B. Brebner, *Canada: A Modern History* (Ann Arbor, 1970), p. 282; Donald Creighton, *Dominion of the North* (Toronto, 1972), pp. 301, 355-6; Edgar McInnis, *Canada: A Political and Social History* (Toronto, 1969), pp. 248, 301-2; S.A. Saunders, *The Economic History of the Maritime Provinces* (Ottawa, 1939), pp. 1, 33; William Menzies Whitelaw, *The Maritimes and Canada before Confederation* (Toronto, 1966), pp. 36-7; William Woodfine, "Canada's Atlantic Provinces: A Study in Regional Economic Retardation" in Mel Watkins and D.F. Forster, eds., *Economics Canada* (Toronto, 1964), pp. 316-7.

2 S.A. Saunders, "The Maritime Provinces and the Reciprocity Treaty", in G.A. Rawlyk, ed., *Historical Essays on the Atlantic Provinces* (Toronto, 1967), pp. 161-78.

3 In addition to the historians listed above, see J.M.S. Careless, "Aspects of Metropolitanism in Atlantic Canada" in Mason Wade, ed., *Regionalism in the Canadian Community, 1867-1967* (Toronto, 1969), pp. 117-29.

4 G.A. Rawlyk, "Nova Scotia Regional Protest, 1867-1914", *Queen's Quarterly*, 75 (Spring 1968), pp. 105-23 and his "The Maritimes and the Canadian Community" in Wade, ed., *Regionalism*, pp. 102-3.

accept a subordinate role before the grander mission of Canadian nation-building. History was on the side of water and land routes from central Canada to the West, of repopulation and immigration west of the Maritimes, and of protected centralist industry — a truly national policy. As inevitable as the Maritimes' decline was the combination of economic vision and political will that ensured central Canada's commercial penetration of the west and its industrial penetration of the Maritimes. Even Maritime scholars like Saunders and Woodfine, and outsiders sympathetic to the Maritimes' plight like Brebner and Careless, upheld this call to the higher vision of nation-building regardless of the interests of those who would bear the costs.

A new direction was initiated by Roy George, in *A Leader and a Laggard: Manufacturing and Industry in Nova Scotia, Quebec and Ontario* (Toronto, 1970), who concluded that "cost differences of [his selected] factor inputs cannot explain the shortage of new plants" (p. 105), and could not explain the gap in the relative stages of Nova Scotian and central Canadian industrial development. The decisive factor must be a failure in Maritime economic leadership. After George, revisionists continued their attack on the earlier nationalist and determinist writers. Bruce Archibald's "The Development of Underdevelopment in the Atlantic Provinces" (MA thesis, Dalhousie University, 1971) and his article on "Atlantic Regional Underdevelopment and Socialism" in Laurier LaPierre *et al.*, eds., *Essays on the Left, Essays in Honour of T.C. Douglas* (Toronto, 1971), pp. 103-120, used André Gunder Frank's model for Latin American underdevelopment. Applying Frank's heartland-hinterland, capitalist satellite dependency model, Archibald traced the continuity of Maritime colonial status from British to central Canadian imperialism. His explanation rested heavily on capital transfers from Maritime banks and other institutions to central Canadian bodies, but failed to place this process sufficiently in a political context, offering little more than an extension of Saunders' deterministic process with a sharper definition of Canadian neo-colonialism. Its greatest weakness in following Saunders was the failure to perceive and account for the impressive local industrial growth following the National Policy in the 1880s.

In 1971 T.W. Acheson completed "The Social Origins of Industrialism: A Study in the Structure of Entrepreneurship" (PhD, University of Toronto, 1971) and in 1972 published "The National Policy and the Industrialization of the Maritimes 1880-1910" in *Acadiensis*, I (Spring 1972), pp. 3-28. These were followed in 1977 by "The Maritimes and 'Empire Canada'" in David Bercuson, ed., *Canada and the Burden of Unity* (Toronto, 1977). Acheson's was the strongest attack upon the earlier fatalistic thesis of Maritime decline as being inevitable with or without Confederation. Maritimers had responded to the National Policy, had sought an escape from being predominantly staples producers, and had set out to capture continental markets with new volumes and kinds of manufactured products. Merchant-shippers, lumberers, shipbuilders

and others had poured their limited capital into new manufacturing facilities whose volume of output could only be justified if new central markets were found. The Maritimes' own consumptive capacity was far below its new productive power, which put a premium upon production methods, management, capital and particularly distribution. Acheson emphasized four weaknesses in this process: the limits on experience and continuity in Maritime family entrepreneurship; the limits of local capital formation; the need for a regionally sensitive national transportation system; and the importance of developing a regional metropolitan centre. From such a centre, local capital-intensive facilities might have provided barriers against centralist capital and banking regulations, and there might have arisen the complementary political strength and coordination to win important federal "political interventions with only a marginal decline in national living standards".⁵ In effect, Confederation eventually led to the "annexation" even of an economically resurgent Maritimes. By the 1920s staples production had returned and neo-colonialism was again in the saddle. Acheson had supplied a most productive counter-thesis to George's.

Acheson's work must be linked with succeeding writers: among the most important is Ernest Forbes and, supportively, William Y. Smith and David Alexander. Forbes adds a vital political dimension, emphasizing railroad transportation factors both within the region and in its export potential. His monograph *The Maritime Rights Movement, 1919-1927: A Study in Canadian Regionalism* (Toronto, 1979) should be associated with his essay, "Misguided Symmetry: The Destruction of Regional Transport Policy for the Maritimes" in Bercuson, *op. cit.* In both he stresses the centralists' neglect of Confederation commitments to Halifax and St. John while Grand Trunk interests in Portland were protected and he outlines the crucial importance of the German-style bureaucratic entrepreneurialism undertaken by the Maritimes' federally-owned Intercolonial Railway. The Intercolonial encouraged intra-regional trade by sensitive rate structures and offered vital export incentives to Maritime producers seeking the central Canadian market. Because of the failure of local boards of trade or politicians to create such economic strategies, the Intercolonial's role was critical. As William Smith reminded us in his "How Ontario Achieved its Imperial Position", *Acadiensis*, VI (Autumn 1976), pp. 144-51, Oliver Mowat's government and its successors set a model of policy formulation with the protectionist policy of "the manufacturing condition", transport initiatives like the Temiskaming and Northern Ontario Railway, and the creation of Ontario Hydro. Achieving a consensus among Ontario's businessmen, politicians and bureaucrats was a useful step in confirming the centralist domination that would equate central Canada's interests with the national interest. When

5 T.W. Acheson, "The Maritimes and 'Empire Canada'", p. 102.

the ICR was "nationalized" and its regionally sensitive rate structures were demolished, Forbes argues in *The Maritime Rights Movement*, "a major agency for independent regional development was extinguished and the metropolitan domination of the Maritime economy firmly consolidated" (p. 71). The centralists' triumph, however, precipitated an era of activism in the Maritime Rights movement that belies Rawlyk's assertion that the protest was only empty and opportunistic sloganeering. Depopulation, redistribution, the reduction of federal cabinet representation and local provincial differences did make it difficult to mount a countervailing Maritime political force in the face of the centralists' overwhelming political strength. The depletion of economic direction along Acheson's lines and of political strength along Forbes' would prove a dispiriting combination. Thus, the crisis of regional disparity, which had *not* been inevitable during the Confederation era, was clearly revealed by the 1920s. This conclusion was affirmed by David Alexander in "Economic Growth in the Atlantic Region 1880-1940", *Acadiensis*, VIII (Autumn, 1978), pp. 47-76.

Two other scholars have added emphasis to these conclusions: John Baker in "The Underdevelopment of Atlantic Canada 1867-1920: A Study of the Development of Capitalism" (MA thesis, McMaster University, 1977) and in "Banking and Underdevelopment of Atlantic Canada, 1867-1920" (unpublished paper presented to the annual meetings of the Canadian Sociology and Anthropology Association, Fredericton, 12 June 1977); and David Frank in "Coal Masters and Coal Miners: The 1922 Strike and the Roots of Class Conflict in the Cape Breton Coal Industry" (MA thesis, Dalhousie University, 1974) and his equally skilled article, "The Cape Breton Coal Industry and the Rise and Fall of the British Empire Steel Corporation", *Acadiensis*, VII (Autumn 1977), pp. 3-34.⁶ Baker's account argues the merits of a Marxist analysis, which may satisfy an ideological goal, but adds little to the weight and direction of his sound empirical evidence. Baker deals with many of the factors emphasized by Acheson and Forbes: productive and capital concentration in central Canada, the differences between Confederation promises and performance, transportation policies of federal governments, the positive but fragile response of the Maritimes to the industrial incentives of the National Policy. There is some attempt at class analysis, particularly among the Maritimes' own merchants, but it is largely theoretical rather than empirical. One of Baker's strongest suits is his attention to the political and legislative aspects of central Canadian banking practices in contrast to Maritime methods. The ideology of the centralist capitalists is best treated by Baker, and he significantly extends this aspect of Forbes' political analysis. David Frank combined a Marxist approach with a splendid command of empirical economic, social and political factors in the

6 See also his "Class Conflict in the Coal Industry: Cape Breton 1922", in Gregory S. Kealey and Peter Warrian, eds. *Essays in Canadian Working Class History* (Toronto, 1976), pp. 161-84.

Cape Breton coal fields and in Montreal's boardrooms. His indictment of BESCO, his appreciation of the anomalies in the National Policy that made it a centralist instrument, his insights into the life and values of the miners and of their radicalization are among the impressive features of his work. The political impact of Besco's manoeuvrings are effectively traced in union activities and municipal politics in the Sydney area. We may question the general application of his approach because he is dealing with a specific class conflict at a particular moment and in a special industry. Roy Wolvin was not typical of central Canadian capitalists. Nonetheless, as an example by which to test other less class-conscious and less concentrated workers and less industrialized Maritime communities, Frank added a sophisticated and highly professional case study.

Although a few other useful articles and monographs have appeared, the preceding constitute the major works in the new historiography of modern Maritime economic activity.⁷ The essays in *The Enterprising Canadians* cannot be said to address themselves uniformly to the questions raised in the new literature. Many are useful case studies, whose general application the writers do not presume to suggest. Some look squarely at Alexander's and George's question of the entrepreneurial role; some ignore it; some extend the definition of the term so broadly — especially in relation to commercial activity as against industrial — as to lack any precision. Nearly half of the essays are not concerned with the period on which the new historiography has been focussed; some are not strictly laid in the Maritime-Newfoundland region although they have a comparative value. As Alexander admits, the Conference often "circled around" the question of entrepreneurship (p. 4). It also avoided confronting a common definition of the region, settling for the weaker "Eastern Canada" in the title. We should be grateful, however, to the sponsors of this pioneering conference. Some of its papers are bound to influence many more disciplined studies not only of entrepreneurship but of larger regional, economic, political and social issues.

Three papers, by David McDougall, Rosemary Ommer and F.W. Remiggi, treat aspects of maritime industry in the Gaspé. While all raise interesting points of contrast with merchant capitalist patterns in New Brunswick and Nova

7 These include: T.W. Acheson, "The Great Merchant and Economic Development in St. John 1820-1850", *Acadiensis*, VIII (Spring 1979), pp. 3-27; David Alexander, "Development and Dependence in Newfoundland 1880-1970", *Acadiensis*, IV (Autumn 1974), pp. 3-31; Robert Brym and R. James Sacouman, eds., *Underdevelopment and Social Movements in Atlantic Canada* (Toronto, 1979); Don Macgillivray, "Henry Melville Whitney Comes to Cape Breton: The Saga of a Gilded Age Entrepreneur", *Acadiensis*, IX (Autumn 1979), pp. 44-70; L.D. McCann, "Staples and the New Industrialism in the Growth of Post-Confederation Halifax", *Acadiensis*, IX (Spring 1979), pp. 47-79; C.R. McKay, "Investors, Government and the CMTR: a Study of Entrepreneurial Failure", *Acadiensis*, IX (Autumn 1979), pp. 71-94; Brian Tennyson, "Economic Nationalism and Confederation: A Case Study in Cape Breton", *Acadiensis*, II (Autumn 1972), pp. 39-53.

Scotia, they are not particularly useful in addressing the volume's main concern with Maritime entrepreneurial weakness and regional disparity. McDougall's evidence suggests that as in much of the Maritimes, older family-oriented and local English-speaking entrepreneurs scattered in small outports generated most of Gaspé Bay's early entrepreneurial activity. We do not, however, gain much insight into why this pattern developed, and the account of its decline does not carry us beyond the usual macro-regional explanations of competition from the Intercolonial Railway, the abrogation of Reciprocity, and technological change. More useful is Ommer's account of the intricate structure of the Jersey cod traders and shipbuilders, and of how their enterprise had a multiplier effect upon New World forest and supply trades. Jersey's failure to keep pace with technological change and to develop a significant industrial base prompt Ommer to suggest more investigation into "the manner in which relatively marginal societies were tied into the North Atlantic economy" (p. 201). The Maritimes' problems may not simply have been those prompted by the National Policy or by conditions peculiar to Canada's eastern provinces.

Two of the volume's liveliest papers are those by Lewis R. Fischer on "'An Engine Yet Moderate': James Peake, Entrepreneurial Behaviour and the Shipping Industry of Nineteenth Century Prince Edward Island" and by Carman Miller on "A Knight in Business: Some Aspects of Sir F.W. Borden's Business Affairs, 1896-1917". Fischer presents the volume's most systematic attempt to define and assess entrepreneurship. To measure entrepreneurial behaviour, Fischer adopts from David McClelland's model in *The Achieving Society* six standards: risk-taking, innovation, decision-making, personal responsibility, anticipation, and overall organization. In judging James Peake's record, however, he concentrates on the first two elements — risk-taking and innovation — in such ventures as Peake's entering the Gulf fisheries, the selective export of Island root crops, adopting steam technology, pursuit of bolder deep-sea trade routes, and ventures in marine insurance and ship chandlery. Fischer's stress upon innovation presents problems in the tiny Atlantic region, as he admits. Moreover, he does not sufficiently pursue his own suggestion that maritime business activity may not be related only to profit-making or to strictly material ends. Fischer's four remaining standards of entrepreneurship are only briefly treated in Peake's case. Yet they are more closely associated with "rational planning and management" and, as Fischer concludes, may be the best "organizing concept for future scholars interested in explaining regional disparity" (p. 115). As Fischer warns, the material available on Peake is "too sketchy" to permit a direct application of his six-point model of entrepreneurship. What is needed are studies of varieties of "entrepreneurial techniques, investments and behaviours" (*ibid.*) from comparable regional individuals and communities. Fischer's own horizons stop with the island. Questions of external control and of local management in a colonial economy are raised but barely

addressed. Fischer's remarkable account of Peake's achievements in mid-nineteenth-century P.E.I., however, emphasizes how much might be done to probe Maritime regionalism, its elitism, and the relations between economic activity, political life, and social values in Atlantic Canada.

Carman Miller's "knight in business", F.W. Borden, is just such a pluralistic figure. Operating during a period characterized by "an incestuous relationship between business and politics", Borden "cultivated to a high degree the fine art of patronage" (p. 233). In this sprightly paper we are given a portrait of one who "was not prepared to devote himself completely to making money. He had other interests" (p. 242). Miller properly portrays Borden as Acheson's model of the 1880s Maritime industrial elite: "a community entrepreneur . . . who on most issues tended to side with his community rather than his class".⁸ Social values and aspirations brought Borden satisfaction. In the end they carried him out of the counting house and into impossible challenges to operate his many-sided business ventures at a distance, and without having developed a decision-making process that allowed him to delegate authority with confidence. His world had been a close-knit one of friends and relatives as business associates, of localism, and of "binding people to himself" (p. 246). The alien corporate capitalism and industrialism that had captured much of the Maritimes business scene by the turn of the century no longer reflected Borden's earlier world. Miller modestly questions how far Borden's experience and values may represent regional business behaviour and how far "the 'one by one' study of individuals" (*ibid.*) may carry us, but he offers here a promising beginning to what one can hope may be many more such studies, on which we may then base broader models and syntheses. Miller's paper suggests that, while we must strive to measure these eastern "enterprising Canadians" by increasingly sophisticated models of structural and economic theory, we must also see them within their particular political culture, their class structure, and their linkage with community values. A standard entrepreneurial approach, even a more precisely defined one, is not likely to be wholly appropriate to the Maritimes scene.

Graeme Wynn's "Industrialism, Entrepreneurship, and Opportunity in the New Brunswick Timber Trade" offers a nice balance between structural theory and schematization with empirical data drawn from the timber industry. The timber trade was "a connective enterprise" (p. 8) and we are shown the commercial structure of the trade from contract lumberer and farmer-lumberer to the occasional jobber and the ubiquitous merchant-wholesaler. While Wynn argues convincingly that the St. John valley demonstrates "the quintessential character of the mercantile landscape" (p. 12) of New Brunswick's timber trade, more of his data might have been drawn from the northeast. An economic model set in a valley which invites geographic determinism is disturbingly complete. Inceas-

8 T.W. Acheson, "The Social Origins of the Canadian Industrial Elite, 1880-1885", in David S. Macmillan, ed., *Canadian Business History* (Toronto, 1972), p. 171.

ing concentration of management and authority in the northeast timber trade may also have responded to a valley economy on the Miramichi and other great rivers. But how far did the ethnic qualities of the poor Irish immigrant and the Acadian contribute to the proletarianization of the timber cutters? Further, how much did the northeast's specialization of work functions owe to the entrepreneurial spirit and methods of the Glasgow-directed business culture, with such big northeastern operators as Pollok, Gilmour or Robert Rankin? As Phillip Buckner asks in one of the six useful summaries of discussion, what are the limits of regionalism in the New Brunswick trade? Did British events, connections and market conditions affect the supply centres across the Atlantic? "Eastern Canada", "the Maritimes", "The Atlantic Provinces", "the transatlantic economy": defining regionalism and assessing the environment in which attitudes and business practises were generated haunt most of the contributors to this volume. Wynn suggests that the nineteenth century may have witnessed "a series of island communities . . . slenderly tied into wider patterns of communication" (p. 121).

Wynn's macro-level contribution stands in contrast to Clarence LeBreton's "Les Blackhall: Histoire d'Une Famille et de son Influence". The paper builds a micro-model of local family enterprise bridging commerce, local administration and marriage brokerage. It is an excellent and subtle introduction to the economy and society of northeastern New Brunswick. We gain a two-tiered insight into the role of family and kinship relations in the Jersey-dominated trade around Caraquet. In his tantalizingly short paper, LeBreton suggests the nature of the local family-structured Acadian society, while providing an intriguing sketch of the quasi-entrepreneurial role of one family among the minority Anglophone community who acted as intermediaries between the Acadians and the dominant merchant class. Emphasis upon blood and kinship roles is also pursued by Gregg Finley, who deals with a remarkable shipbuilding dynasty, "The Morans of St. Martins, N.B., 1850-1880: Toward an Understanding of Family Participation in Maritime Enterprise". With these papers we move further away from economic and structural approaches to embrace social and cultural explanations for local enterprise and its successes and limitations.

Unfortunately, Finley's account lacks a geographic context. Resource and locational factors affected St. Martins' growth as the largest Fundy shipbuilding outpost. Limitations of soil and of sea as a source of fish narrowed the region's options, but the richness of the forest cover invited concentration upon shipbuilding. Finley underplays St. Martins' nearness to St. John with its merchant and shipping ambitions; St. John merchants provided a source of early entrepreneurial and capital development until St. Martins' own entrepreneurs could develop their operations. Scale is another factor: the landward isolation and tiny social boundaries of St. Martins offered an unusual opportunity for the enterprising Moran family to turn a small contract-shipbuilding operation into a

remarkably large-scale shipbuilding, shipping and overseas commodity market empire with a Mersey subsidiary by the 1850s. One important assumption in Finley's paper, which will have to be tested in further studies, is that St. Martins was not unique but only the most successful example of coastal shipbuilding communities in the Atlantic region.

Kinship solidarity and family involvement are the central themes of Finley's explanation for both the rise and the ultimate decline of the Morans' undertakings. Through several generations cooperation in the basic physical skills of building led to differentiation and coordination of more specific and sophisticated skills, such as master shipbuilder, master of a vessel, and resident overseas agent. This progression is traced from simple fraternal beginnings to father-son involvement, but Finley also outlines the role of wives and daughters in ensuring continuity. To the emulation implicit in the father-son relationship, he adds the role of reinforcer played by mothers and wives in fashioning "a home environment whose focus was toward the sea" and which "perpetuated the sensibilities of a maritime life-style by creating a sense of solidarity and purpose in the home" (p. 45). Finley's theme of woman's role in personal and communal enterprise is another valuable reminder of our neglect of women's studies in the Atlantic region. It would also be useful to explore more fully the role of other families than the Morans and their middle class peers. The shipbuilding industry was often also a family-oriented business in its work force. The skills, the deference and the size of the large local labour pool were also tied to the Morans' enterprise. Leaders require those ready to be led, and the extended family character of all classes in the Atlantic outports was an important factor through generations. Non-union labour gave to the Morans' enterprise and imagination a concrete expression; the dynamics and interdependence of all classes in ports such as St. Martins must be fully explored before we can have a picture in the round.

Finley's emphasis on kinship is both supported and challenged by Paula and Lawrence Felt in "Capital Accumulation and Industrial Development in Nineteenth Century New Brunswick". They affirm Finley's case study, citing Burton Benedict's earlier stress on the usefulness of family connections in financing and in recruitment of personnel when skills are at relatively low scales of specialization and large-scale capital is not readily available or needed. They depart from Finley's Moran model, however, and parenthetically challenge T.W. Acheson's explanation that Atlantic entrepreneurial success was partly plagued by the failure of entrepreneurial and filial succession. From their own researches they argue that there were numerous exceptions to Acheson's evidence of the failure of sons to carry on in their fathers' footsteps. Moreover, by marrying into other merchant-industrial families or by espousing their fathers' imported hired managers, daughters frequently became useful agents in preserving the trust, diversification and continuity that were essential to the further growth of many Atlantic family-centered businesses. The Felts also draw

brief attention to non-familial linkages in Maritime economic development — “primary loyalties generally — school, church and other community-based ties — in effecting operations necessary to the stability and growth of the firm” (pp. 64-5). I have referred above to the significance of the work force. Another source of Maritime entrepreneurial strengths (and ultimately of weaknesses) may arise from cultural factors. What was the nature of the community itself in which some businessmen so thrived that they not merely built initial commercial and simple industrial operations, but they or their descendants had the will and capacity to adapt successfully to different ventures as times and technology changed? In “Cradle of Enterprise: Yarmouth, Nova Scotia, 1840-1889”, a highly systematic paper that is dense with statistics and the genealogy of 74 resident shipowners, Gerry Panting gives further prominence to the importance of family origins in early business growth. Significantly his families later show a capacity to adapt to formations beyond simple partnership, and to move from their role as merchant-shippers to realms of finance, metal works, textiles, railways and utilities. The multi-generational pattern is repeated here, as with Finley’s Morans, although we are again given only a middle class managerial spectrum. Two successive family ‘connections’ — the Killams and the Lovitts — stand as examples and leaders of the risk-taking and adaptability that ensured Yarmouth’s continued economic health amid conditions that elsewhere undermined Maritime merchant and industrial independence. Later, marriages also broadened the opportunities for larger scale capital formation when new technologies made it necessary to diversify and extend investment. Like the Scottish community of New Glasgow — which could profitably have been included in this conference’s considerations — which pushed the lifespan of its independent economic activity well beyond the Maritimes’ norm in this era of Montreal take-overs, Yarmouth’s cohesion and adaptability need further explanation. Panting only hints at the reasons in his opening paragraphs, and tells us little in his abrupt conclusion. Some insights, however, were elicited in the discussion that followed.

In reply to questions, Panting stressed factors like religious homogeneity, an elitist merchant circle of residents only, and the town’s common New England origins, small scale and intimacy, and contended that “shipowning was an excellent training for the development of an entrepreneurial mentality” (p. 275). When the question was raised as to whether “such an explanation was valid because it elevated cultural factors above all others” (*ibid.*), Panting persisted in affirming a strong cultural explanation, but he makes little of the point in his paper. His documentation includes R.M. Aitken’s study of Yarmouth which, while much less dependent upon quantitative data and more general in thesis, offers a distinctly cultural explanation for Yarmouth’s unique performance.⁹

9 R.M. Aitken, “Localism and National Identity in Yarmouth, N.S., 1830-1870” (MA thesis, Trent University, 1975).

Like greater New Glasgow, which derived much from the commercial and industrial spirit and connections with Scotland and north Britain, Yarmouth continued to emulate the self-reliant and innovative qualities of New England. Given Panting's support of a cultural thesis, his paper could profitably have stressed the town's pervading commercial spirit. The enterprise of its early "Long Wharf" merchant-shippers was mirrored and buttressed by constant public discussion and activity in its numerous study clubs, its several navigational schools, its practical school curriculum, its booster newspapers, and in the effective system of clientage it enjoyed over a wide rural and coastal network of other shippers, lumbermen and fishermen. Coordination between its business interests and its political representation was one of the town's strong characteristics. Indeed, the political dimension — municipal incorporation, municipal services and financing, and municipal support for industrial growth — is disturbingly absent from most of these papers. Panting succeeds admirably in assessing his shipowners' operations within their own sphere; he is less successful in tracing their influence upon the town's development or of its influence upon them.

By contrast, Eric Sager leaves us in no doubt of the independent class interests of Newfoundland entrepreneurs in "The Merchants of Water Street and Capital Investment in Newfoundland's Traditional Economy". The St. John's merchants wielded "a high degree of control over the maritime economy" (p. 77) by the concentration of large-vessel tonnage in their hands, through their dominant marketing function in fish and seals, and as principal owners of maritime capital stock. Although this dominance did not remain constant, the decision to retrench, Sager insists, rested with the metropolitan merchants themselves. Further, despite a depression in the fisheries in the 1860s, a few St. John's merchants continued to invest expansively in the entire fleet. Unfortunately, unlike Panting, Sager does not — perhaps could not, from the want of surviving records — tell us who these merchants were, whether they were interlocked in partnership or more complex business relationships, or how far blood, marriage and generational elements affected these two sets of decisions toward retrenchment and expansion. The basis for comparison with other papers in the volume is thereby reduced, although Sager's account in its own terms is impressive. Where Panting and Aitken might allude to the cultural milieu of Yarmouth which appears to have encouraged self-reliance, technological and business adaptation, and family connectational means, Sager only concludes sympathetically of the St. John's merchants that "This was not a task for any small group of 19th century merchants, even if they had understood the problems" (p. 93). They had, he argues, no option but to reduce their risks by withdrawing from the maritime industry. One wonders why Panting's Lovitt connection in Yarmouth did not accept this lesson so readily, or why the St. John's merchants did not turn to government and other sources of capital for support in maintaining the traditional maritime economy.

One explanation arises from Sager's sense of timing. Many merchants had already been attracted to Newfoundland's new continental model of economic growth — that expansive era of diversification in railroad, mining, agriculture, lumber, pulping and manufacture. Unfortunately, we are not told what proportion of merchant capitalists took up the industrial capitalists' challenge, nor how much initiative and initial capital came from outside Newfoundland to produce these new ventures. Nonetheless, Sager posits that the entrepreneurial spirit was still alive in his island control group — and implies that sensible re-direction is another quality of the entrepreneur who cannot be more adventurous. Those merchants who lacked enough capital to enter the continental economy turned more heavily to their complementary function as suppliers, wholesale and retail, of those goods and services now required by the new land-based industries. By their decisions, Sager argues, the merchants were pursuing class interests at the expense of “the welfare of [Newfoundland's] major industry and its people” (p. 93). Sager leaves us, then, with a troubling double standard: on the one hand, the merchants had little choice but to shift to more promising ventures, and were proving their entrepreneurship by doing so; on the other, while asserting their helplessness to do otherwise, Sager finds fault with their abandoning the industry that had traditionally embraced the vast majority of the island's people. Was it the merchants' responsibility to foresee the island's unpromising economic future and to accept responsibility for its general well being? Were they being shortsighted by their standards or by ours? Moreover, was their failure not as much political as economic? And why did such “failures” occur at the political level, since the merchants held considerable political power?

Perhaps St. John's was not itself sufficiently sophisticated or mature in such matters to generate an informed general discussion of the whole economy and of the reciprocal concerns and responsibilities of all classes for the island's economic health. David Sutherland, writing of “The Personnel and Policies of the Halifax Board of Trade, 1890-1914”, reminds us that Newfoundland was not alone in confronting problems of leadership in the face of economic change. In one of the volume's most useful articles Sutherland probes two of the sources of regional disparity and entrepreneurial frustration in the Maritimes: the businessmen's failure to come up with significant provincial or regional strategies, and the allied failure to put pressure on the even less enterprising politicians spawned by an immature or moribund political system. Sutherland first outlines the organizational weaknesses of Halifax's Chamber of Commerce, a body dominated by the city's wholesale firms, by an aging membership, and by its failure to confront crucial economic challenges — particularly the tariff question — because of unresolved political partisanship. Although the old Chamber was then absorbed into the new and seemingly more dynamic Halifax Board of Trade — a retail-centered and more youthful body — in 1890, “continuity . . . was . . . the order of the day” (p. 207). The narrow

commercial and class lines of the Chamber prevailed; fewer than half of the city's business leaders joined the organization; lesser figures served on the Board's executive; professional men were notably absent; industrial incentives were ignored; threats to the city's rail service and limitations in its port facilities were addressed only piecemeal; and the Board never seriously moved beyond Halifax's immediate interest to survey and promote the idea of their relation to the province's interests at large. The Board's members might have been expected to appreciate the gravity and implications of economic change more clearly than others. Yet they failed to recognize the long-term results of neglect of the fisheries and the West Indies trade, offered no adequate development policies, ignored the challenge to social reform on grounds of cost and, while engaging in a perennial rivalry with St. John, "never saw fit to comment on" (p. 215) the region's common peril, the absorption of local banks by Montreal- and Toronto-based corporations. Sutherland ascribes the Board's failures to "the traditionalism, elitism, penuriousness and factionalism of the Halifax business community" (p. 217). While he concludes by denying that the Board was responsible for Halifax's underdevelopment, a condition "derived essentially from factors external to the city's business elite", he admits that it did "contribute to the community's dilemma" (*ibid.*).

The conference that produced this valuable collection of papers deserves successors. We have been given a stimulating glimpse through some excellent case studies and some frequently helpful theoretical discussions of the problems involved in moving from merchant capitalism to industrial. As in several other papers, Sutherland's analysis highlights the gulf between private economic activity — even when partially represented by some form of association — and the political sphere at all levels of Maritime public life. Canadian economic centralism drew on greater resource and capital strengths, but it also relied on crucial applications of political power. Why countervailing Maritime political power was not possible, why it was not coordinated with local economic interests, and how far by its absence it compromised the prospects even of the most ambitious local entrepreneur is a complementary dimension to which a further conference could profitably turn its attention.

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