

# **THE ENTERPRISING CANADIANS:**

**ENTREPRENEURS AND ECONOMIC DEVELOPMENT IN  
EASTERN CANADA, 1820 — 1914**



**Edited by**

**LEWIS R. FISCHER**

**ERIC W. SAGER**

**Maritime History Group**







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### **EDITORS' NOTE**

In this collection of papers we have raised more questions than we can answer about the role of entrepreneurship in eastern Canada in the nineteenth century. If no definite conclusions emerge, this is perhaps because historical inquiry into the economic development of the region remains in its infancy. We hope that the papers in this collection, containing preliminary findings by scholars in several disciplines, may serve to stimulate further investigation and discussion of the entrepreneurial history of the region.

As in any project of this sort, many debts have been incurred. We wish to thank Edith Verrall for assisting us with the copy-editing. Beverly Wight was responsible for graphics and design, Elaine Pitcher supervised the typesetting, and Mary Langhout ensured that the volume appeared in good time. Roberta Thomas, Archival Research Assistant with the Maritime History Group, assisted at every stage of the editorial process. We gratefully acknowledge the financial support provided by the Canada Council enabling the Maritime History Group to hold the conference; in addition, thanks are due to Memorial University for the funds required to produce these proceedings.

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1. SOME INTRODUCTORY  
THOUGHTS ON ENTREPRENEURSHIP

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# SOME INTRODUCTORY THOUGHTS ON ENTREPRENEURSHIP

David Alexander

This workshop has been assembled to explore the question of entrepreneurship in the Atlantic Provinces in the nineteenth century. The period covers the years of transition from a relatively successful to a relatively weak economy. By implication at least, some of our purpose in being here is to consider whether entrepreneurship was a variable of any significance in explaining that transition.

The long economic decline of the Atlantic region is not simply a matter of academic interest. In 1974, according to the Atlantic Provinces Economic Council, net federal transfers as a percentage of provincial income, were 67% in Newfoundland, 47% in Nova Scotia and 44% in New Brunswick. As a people we survive on national charity; and as a people within an apparently fragmenting national state, we could be confronting a savage collapse in living standards.

The weakness of our economy can be explained, I think, by one or more of three general explanations:

- 1) that the physical resources of this region are inadequate to support the population at a Western standard of living without net transfers on a massive scale from more productive regions of the national economy;
- 2) that the physical resources of the region are sufficient in quantity and quality to maintain the region at acceptable levels of output, but the income generating capacity of the four provinces has been subjected to unfavourable institutional constraints so that performance has fallen well below potential;
- 3) that the resources of the region are adequate to achieve what we should expect, but that the region's businessmen — its entrepreneurs — have proved inadequate to the task.

The first explanation is advanced by those advocating a net movement of population out of the region, and by those supporting government efforts to improve infrastructure and otherwise induce investment. The second explanation is the conspiracy theory of Canadian political economy which is much favoured by disgruntled residents of the Atlantic provinces. The third has only been advanced in a serious way by Roy George, in his study of manufacturing in Nova Scotia relative to the Central Provinces. George came to the conclusion that entrepreneurial failure was a significant variable contributing to the industrial weakness of that province. After a detailed examination of relative production costs, he could not find that location in Nova Scotia would significantly disadvantage a producer for the national market.

I must confess to some skepticism about the whole question of entrepreneurship. The concept is not very well defined. It clearly refers to something more than simple business management: it implies on both an individual and a collective level, some



unusually good or unusually poor capacity to combine economic resources (widely defined) in order to generate income. There are at least two uncertainties surrounding the concept. The first is why we should find, within any fragment of the economic culture of Western Europe and North America, a non-normal distribution of that particular quality, or factor of production. If we did find a positive skew to the distribution (a peak well to the left) I would be inclined to assign the explanation to a poor economic climate, which causes good entrepreneurs to migrate and fails to attract entrepreneurs to the region. For there is no obvious reason why the quality (if it exists) should be non-normally distributed within any reasonably large population group. Given this, a failure of entrepreneurship is a *sign* of some other weakness rather than a *cause* of poor economic performance.

The second problem with the entrepreneurial explanation is that it can very easily end up being the label which is placed upon the unknown residual in the production function. That is, if one accepts the validity of the Cobb-Douglas production function for purposes of illustration,

$$(1) \quad Y = A L^a K^b$$

and differentiates that so that it is written in terms of rates of growth,

$$(2) \quad \bar{Y} = \bar{A} + a\bar{L} + b\bar{K}$$

then we have an equation which says the rate of growth of output is a function of inputs of labour and capital, weighted by their marginal productivities, and a residual ( $A$ ) which represents the rate of growth of technical progress (widely defined). In arguing that entrepreneurship is also an important factor of production contributing to the output growth rate, one is actually pretending that one can disaggregate the equation one step further so that it reads,

$$(3) \quad \bar{Y} = \bar{A} + a\bar{L} + b\bar{K} + c\bar{E}$$

where ( $E$ ) is now a measured input of entrepreneurship. Of course, no one is able to measure the entrepreneurial contribution in this way. Rather, one argues that it is possible to undertake some qualitative assessment of its size within the residual ( $A$ ). It is an interesting but highly risky exercise.

We have offered before us a fine collection of papers, which circle around these questions I have raised. Most do not face the problem directly, but I would hope in our discussions we shall find time to give the problem some consideration.



2. INDUSTRIALISM, ENTREPRENEURSHIP,  
AND OPPORTUNITY IN THE  
NEW BRUNSWICK TIMBER TRADE

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# INDUSTRIALISM, ENTREPRENEURSHIP, AND OPPORTUNITY IN THE NEW BRUNSWICK TIMBER TRADE

Graeme Wynn

Almost half a century ago H.A. Innis pointed to the dramatic influence of modern industrialization upon the development of Canada. As generation succeeded generation during the nineteenth and twentieth centuries, new natural resources provided staple commodities for the markets of an industrializing world; time and again, hitherto undeveloped areas of the country felt the sudden impact of modern technology. Landscapes were transformed, societies were shaped, and "the foundations of Canada were laid in the symbiotic relationship between staple exploitation and European demands".<sup>1</sup> For Innis, compression of the gradual stages of European growth into more rapid and intense evolution in Canada was a striking characteristic of this relationship.<sup>2</sup> Of course, it was most evident in the introduction of powerful technology to the wilderness. But it also had less tangible manifestations. Traditional institutions and deep-seated attitudes crossed the Atlantic almost as readily as did knowledge of the steam engine. And if Canada "remained British" because of its economic connection to the mother country (as Innis suggested), its rapidly evolving societies reflected many of the socio-economic changes shaping the industrializing metropolis.<sup>3</sup>

Such was the case in New Brunswick, where forests rich in pine and spruce yielded the staple product upon which early nineteenth century development was based.<sup>4</sup> In response to a rising market for wood in Britain after 1805, the province's annual export of ton-(or square-) timber increased forty-fold in twenty years, to exceed 400,000 tons in 1825. Thereafter, exports of ton-timber were rarely more than two-thirds of this total, but increased shipments of sawn lumber maintained the dominating importance of wood products in the province's export economy.<sup>5</sup> Despite business cycle fluctuations and political uncertainties, the onslaught on the New Brunswick forest continued to mid-century and beyond. External demand for the province's most abundant natural resource transformed economy and environment in New Brunswick, and turned a relatively unimportant and sparsely settled backwater of empire into a commercial colony of almost 200,000 people by 1851.<sup>6</sup>

Behind this transformation there lay a diffuse pattern of enterprise. Timber was produced by hundreds of lumbering parties scattered through the province. Each winter, farmers turned lumbermen to make a few sticks of ton-timber close to home when time allowed; ambitious friends organized speculative ventures bound by trust and loose agreement in the hope of realizing large profits; other men worked under contract to deliver specified quantities of ton-timber or logs to those who engaged in the trade in a larger way. Timber from these diverse ventures came to market by a variety of shifting channels. Initially, a plethora of commercial arrangements prevailed as speculators and mercantile men attempted to forge commercial connections between producers and local



or overseas markets, but system and structure were imposed on the trade remarkably quickly.<sup>7</sup> As this paper reveals by examining the commercial components of the trade, and their changing structural interconnections, entrepreneurship was a key factor in this development.<sup>8</sup> Commercial men organized and facilitated the timber trade by advancing supplies, setting prices, and finding buyers for New Brunswick's timber. They were the keystones of the timber trade's trans-Atlantic arch. And the most successful among them were clearly responsive to the changing commercial environment of the nineteenth century North Atlantic world. In developing their enterprises accordingly, they were instrumental in fostering, in an early nineteenth century New Brunswick that was still essentially pre-industrial in technology, many of the changes in social and economic life associated with industrialization in Britain.

## ELEMENTS

New Brunswick's trade in timber was, fundamentally, a wholesale activity. It was a connective enterprise. Those engaged in it conformed to Adam Smith's classic description of wholesalers as persons whose capital is employed "transporting either the rude or manufactured produce from places where they abound to those where they are wanted."<sup>9</sup> Certainly, retail trade in various imported and domestic commodities was a normal part of the complex mixed business of the province's commercial enterprises. Even as some firms concentrated their efforts in the purchase and export of timber, the specialization of their trade was in one direction only; they continued to sell a wide variety of goods in small quantities to provincial customers. But those who handled timber within New Brunswick were middlemen. Although they conducted business at different scales and in different ways, all who sold timber for the export market did so to other entrepreneurs, not to consumers. The cut from provincial forests passed from producer to penultimate purchaser through one or more agents of trade. These middlemen were the colonial nodes of an ocean-spanning spatial system of reciprocal commerce, and they dominated the mercantile landscape of early nineteenth century New Brunswick.

Merchant-wholesalers were the coordinators of colonial commerce. Based in provincial ports, they followed in the tradition of the all-purpose merchants who dominated eighteenth century commerce, and were the foci of trade in their hinterlands.<sup>10</sup> Importers and exporters, dealers at wholesale and retail, they dealt in a wide variety of goods, for versatility was vital in the marginal trading environment of the relatively recently established colony. But they were primarily distributors "engaged in buying, taking title to, and. . .physically storing and handling goods made by others and selling the goods at wholesale. . ."<sup>11</sup> Many had both warehouses, for handling imported provisions and manufactures, and facilities for the temporary storage of wood awaiting shipment. Their enterprises ranged in size, but the most important merchants were omniscient, "importing and exporting, wholesaling and retailing, insuring and shipping" an enormous variety of goods.<sup>12</sup> They loaned capital, set prices, and disseminated commercial information. Even in the timber trade, the diversity of



transactions was striking (Figure 1). Wood might be acquired in small quantities from nearby settlers who received cash, or credit against consumer goods purchased on account. Lumbering parties supplied by, and under contract to, the merchant-wholesaler delivered timber in the spring. Sawmillers and storekeepers elsewhere in the province settled accounts by delivering lumber or ton-timber to the port merchants for shipment overseas.

Merchant-wholesalers who handled large quantities of timber normally maintained close and regular connections with British timber merchants or import-export agencies. Agencies represented the interests of their New Brunswick clients to British timber importers, and kept the colonial entrepreneurs informed of British prices and market prospects. In addition, they organized the purchase and shipment of British merchandise to provincial traders. They were catalysts, facilitating efficient trade between remote regions. Some New Brunswick wholesalers sent their own agents to ports with which they traded frequently, but this practice was uncommon. More typical was regular commerce with one or two prominent timber merchants who served in lieu of formal agencies. In some instances, such regular trade links reflected the branch-house status of merchant-wholesalers established in the province by British timber merchants; in others it was an arrangement of convenience in which the timber merchant assisted the wholesaler's import trade much as would an agency. But suffice it to note the more or less institutionalized character of these overseas connections; for present purposes the diffuse and complex British facets of the trade may be left aside.<sup>13</sup>

Country-storekeepers formed a second tier of the New Brunswick trading hierarchy. Scattered through the smaller communities of the colony, they conducted a diverse and sporadic trade. Because the demand for any one item was small, country-storekeepers were forced to depend upon trade in a wide variety of commodities for their livelihood. In the familiar pattern of the crossroads general store, their stock included a multitude of disparate items. Sugar, rum, cloth, salt, and the other non-perishable commodities that cluttered their shelves were acquired from merchant-wholesalers for sale to local settlers. Because cash was scarce, barter was the basis of the storekeepers' transactions. Ledgers recorded both the value of purchases by familiar customers, and the worth of goods accepted by the storekeeper in return. Small agricultural surpluses – a barrel of pork, a bushel or two of wheat, a quantity of wood, perhaps twenty tons of timber or fifty logs – and even periods of work – hauling, mowing, painting – might be credited against individual debts accumulated over the months for tobacco, flour, molasses, buttons, candles, flannel, and the like.<sup>14</sup> Thus the country-storekeeper fulfilled a dual role. He was the retailer of provisions and manufactures, as well as the collector of country produce. Typically, his business operated on credit. Settlers might accumulate debts through the summer to pay them off in grain at the harvest. Goods taken during the winter were often paid for in the spring, when many a country-storekeeper in New Brunswick received dribblets of timber from his customers. To these small parcels might be added larger quantities cut by lumbering parties supplied by the storekeeper in the fall, until sufficient timber was assembled to be rafted downriver on the storekeeper's account (Figure 2).



Figures 1-6

# THE COMMERCIAL ELEMENTS OF THE TIMBER TRADE

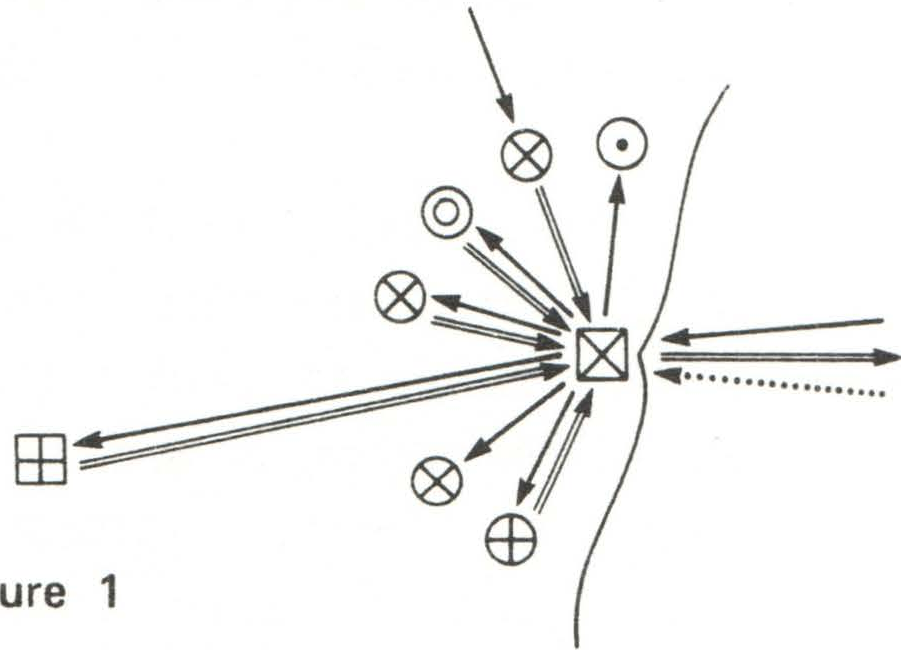


Figure 1

MERCHANT - WHOLESALER

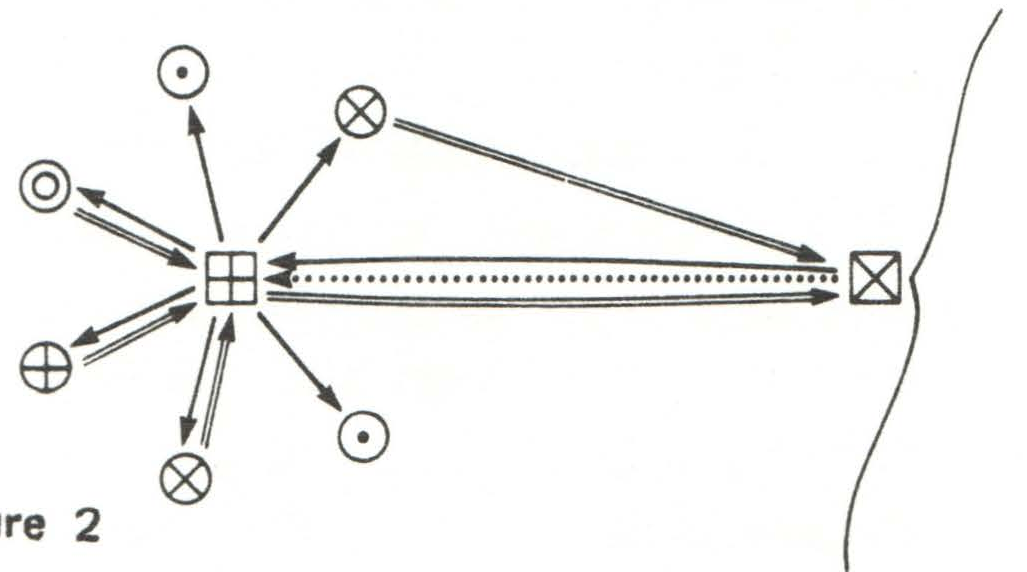


Figure 2

COUNTRY - STOREKEEPER

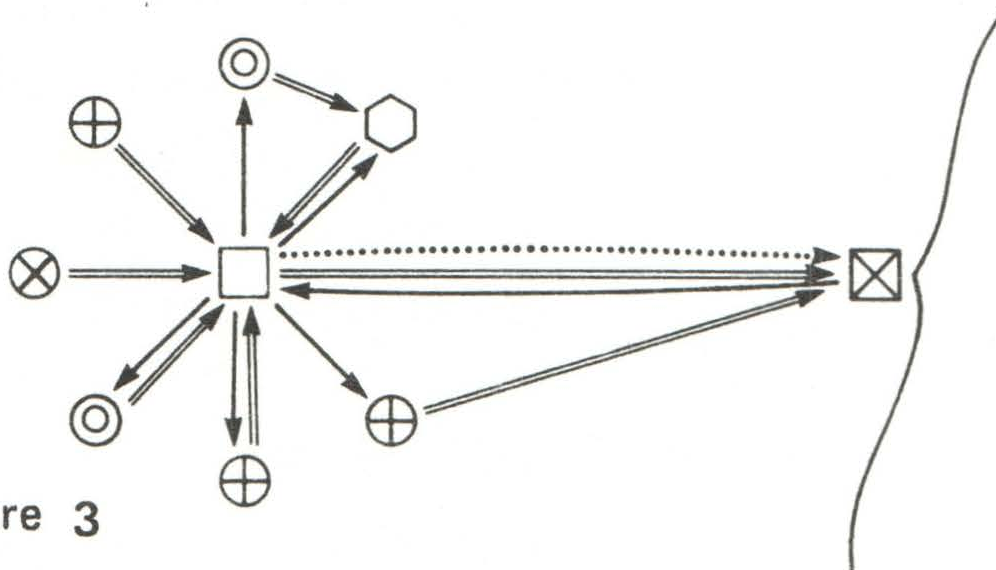


Figure 3

BROKER

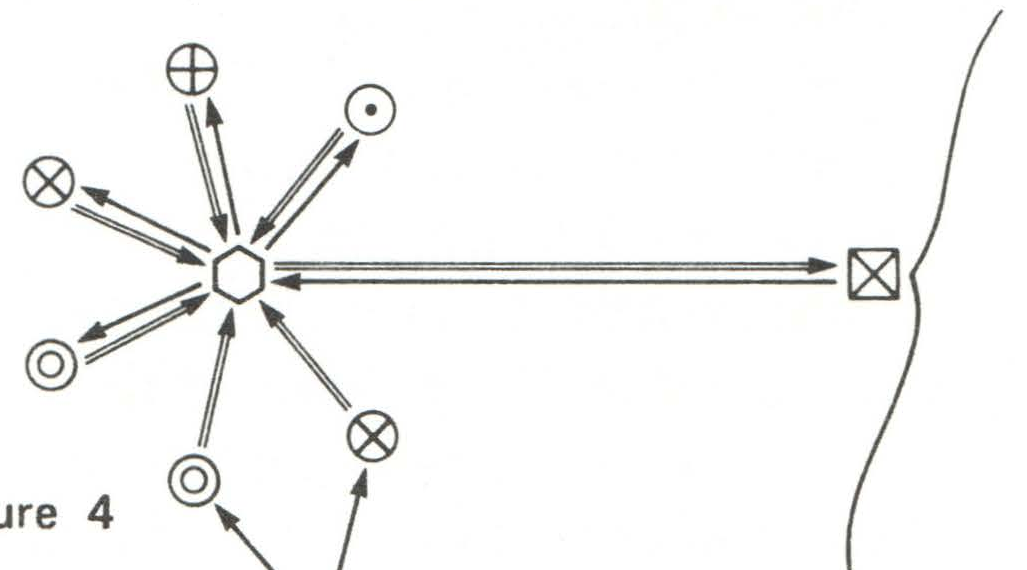


Figure 4

SAWMILLER

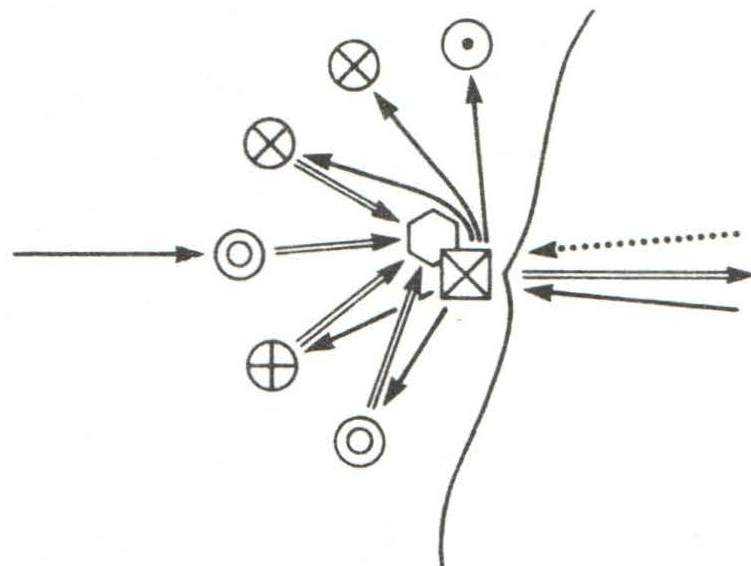


Figure 5

MILLER and MERCHANT - WHOLESALER

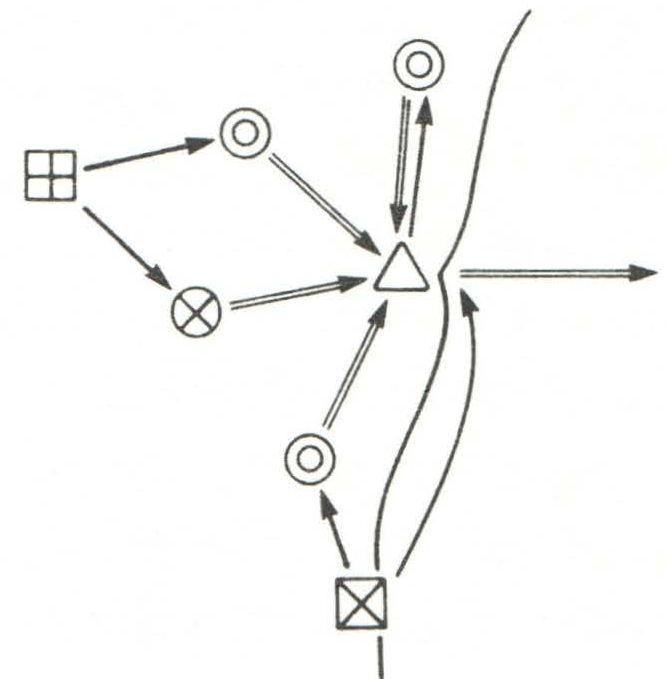


Figure 6

JOBBER

KEY: Flows of:

————> Wood

-----> Information

————> Provisions &  
Manufacturers, etc.

⊠ Merchant - wholesaler

⊞ Country - storekeeper

⬡ Sawmiller

□ Broker

△ Jobber

⊙ Farmer

⊖ Farmer - lumberer

⊗ Lumbering speculation

⊕ Contract lumberer



More often it was delivered to meet accumulated liabilities. Country-storekeepers, faced with the intermittent settlement of their retail accounts, were usually heavily indebted to their suppliers. Firm connections between country-storekeepers and merchant-wholesalers were forged by the lines of credit extending back from the ports. And these links were reinforced by the advantages of familiarity. Both storekeeper and wholesaler gained from their knowledge of each other's requirements, and since much of the business between them was carried on by correspondence, trust and integrity were essential. There was, therefore, a high degree of complementarity in the trade. By extending credit to small traders in their hinterland, the province's merchant-wholesalers effectively supplemented the capital of New Brunswick's country storekeepers, while benefitting from both the retail and collecting aspects of their business. Country-storekeepers, in turn, offered opportunities to local settlers by selling goods on credit and providing a convenient market for timber cut by them. Whatever their geographical location, country-storekeepers were the peripheral agents of a trading system that funnelled timber from scattered forest brows into the holds of waiting vessels in the province's ports.

Agents, whom we might call "brokers", were more specialized and less numerous than the ubiquitous country-storekeepers. Generally, their business was the timber trade. They assisted merchant-wholesalers by collecting information about lumbering operations, reporting the progress of the drive, and assessing prospects for the "harvest" of timber. Some represented merchant-wholesalers and lumberers at the Crown Land Office, and applied for licences on their behalf. In their pristine form, brokers were intermediaries, acting to bring buyer and seller together, but never buying or selling on their own account. In effect, they conducted the merchant-wholesalers' business in the interior of the province. They were in close contact with lumberers and sawmillers. They passed supplies to them and directed their timber to a merchant-wholesaler (Figure 3). Some brokers diversified their business to include transactions on their own behalf; then their role began to resemble that of the country-storekeeper more closely. But these brokers rarely handled the range of goods found in a country store, and although they might have supplied provisions to others occasionally, most of their business was with lumbermen.

As manufacturers, sawmillers held a distinctive position in the timber trade. Yet their place in the commercial system was similar to that of the country-storekeeper. Generally, they acquired supplies from a wholesaler, provisioned lumbering operations, received logs from local settlers, and sent their wood to merchant-wholesalers for export (Figure 4). By transforming the logs to lumber, the miller became a processor of the product but, in essence, his role was little different from that of the storekeeper who slaughtered and preserved cattle or pigs before shipping them onward. Mills owned and operated by merchant-wholesalers — which became increasingly common in New Brunswick as the century wore on — occupied much the same niche. Despite the vertical integration of the trade reflected in the combination of producing and trading functions, commercial patterns were little changed (Figure 5). The enterprise might supply farmer-lumberers or larger lumbering parties with provisions, expecting the logs they



produced to be delivered to the mill for sawing before they were transferred to the wholesale side of the business for export.

Jobbers added further diversity to the mercantile structure of the New Brunswick timber trade. The jobber's was usually a small scale enterprise. He obtained supplies, often on credit from a merchant-wholesaler, and acquired small quantities of timber from nearby settlers in return for provisions and goods advanced to them (Figure 6). But unlike the country-storekeeper, the jobber tried to arrange the forward shipment of his timber on his own account. Rather than sending it to a merchant-wholesaler in the province, he sought the best market he could find, either with a timber importer in Britain or with the master of a vessel in search of a cargo. Typically, the jobber's connection with his buyer was sporadic and uncertain, and there was considerable speculative chance involved in his final transactions.

## STRUCTURE

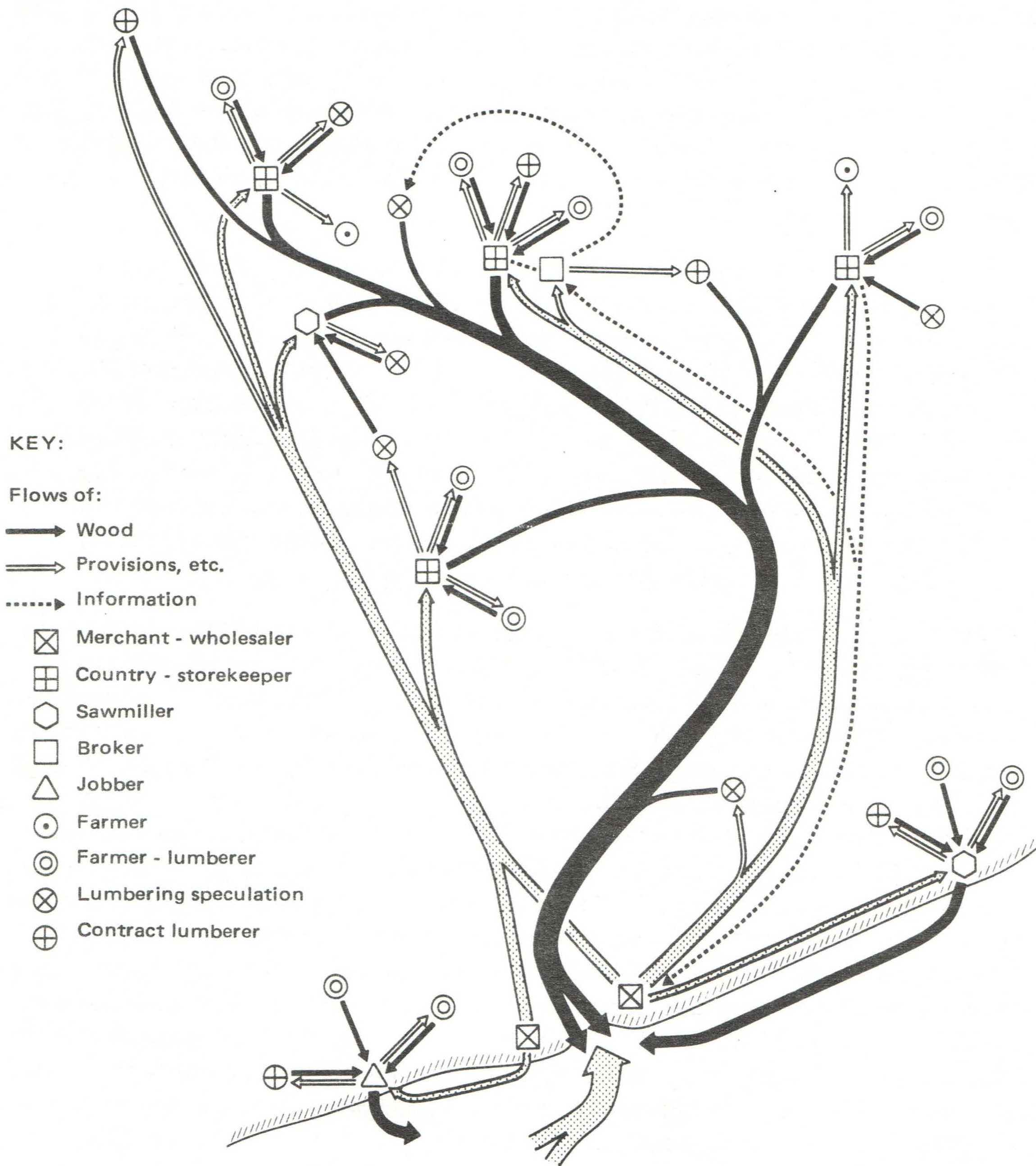
Within New Brunswick, the trading spheres of merchant-wholesalers, country-storekeepers, brokers, sawmillers, and jobbers combined in various ways to form the commercial framework of the timber economy. Regional differences in the relative importance of individual elements in the system emerged with time, and in response to geographical, political, and social considerations, but the quintessential character of the mercantile landscape of the timber trade was most evident in the Saint John valley. Here, the magnificent river provided an artery of movement through some of the most densely settled areas of the province, and gave access to vast areas of interior forest. Each fall and winter before mid-century, settlers, lumberers, and commercial men in the valley turned their interest to the timber trade. Each spring and summer, the wood from countless lumbering ventures came to market in small and large quantities to be assembled in Saint John for shipment overseas. Inevitably, the patterns of trade and connection were manifold and complex, but their basic characteristics are summarized in Figure 7.

Saint John was the nucleus of the valley's timber trade, the centre in which the leading merchant-wholesalers in the southern part of the province conducted their business. Among the score and more of Saint John wholesalers involved in the timber trade was the firm of John Ward and Sons, whose commercial ties radiated in all directions from their establishment in the city.<sup>15</sup> This indigenous New Brunswick enterprise was one of the leading commercial houses in the province. Founded by Major John Ward (formerly of Peekskill, New York, and the Loyal American Regiment) soon after his arrival in the province in 1783, its trading interests expanded as the colony grew. By 1825 its activities reflected the diverse concerns of the all-purpose merchant. Widespread trading links to east and south were well established. Provision imports came from the West Indies and United States' ports. The firm was the western terminus of a London-based triangular trade that encompassed the Caribbean; the Wards built ships for their own fleet and for sale in England; and they shipped wood to British and West Indian markets.



Figure 7

# THE COMMERCIAL STRUCTURE OF THE TIMBER TRADE





Export cargoes of wood included lumber from Bay of Fundy ports, and ton-timber and lumber from the Saint John and its tributary valleys. Some of this wood was delivered to Saint John by lumberers who were advanced supplies by the Wards in the fall. Much more passed through the hands of country-storekeepers tied to John Ward and Sons by credit. These storekeepers acted as middlemen between lumberers in the interior and the merchant wholesalers in the ports. From the Wards they received part of their stock of supplies; to them they consigned the timber received in the spring in payment of debts amassed in previous months. Although in detail the diversity of arrangements was great, their essence is illustrated by one brief letter. Written in October 1824 by John Huestis, a storekeeper in Queensbury, York County, it summarizes the complexity of these commercial relationships so heavily dependent upon familiarity and trust. "Agreeable to your desire", Huestis informed the Wards,

I have sent forward the timber which I had at Fredericton Say about 150 tons [...] in addition to this there is another Joint which J.R. Beck [a Fredericton storekeeper whom Huestis used as an agent] will offer you for Cash & give you the preference of, you will please to pay the freight of the timber Mr. Brooks [a Raftsman] will deliver you which is @ 2/4 d pr Ton if any of the timber be condemned please be particular in getting the private marks of such. As I shall not be able to go to St. John J.R. Beck will attend to my business and be so good as to give him Such articles as he shall Name to you which place to my acct. I would be glad to know the probable price of timber & Deals next season and what you would be willing to give.<sup>16</sup>

Similar links structured the Ward's trade in lumber from small Fundy ports. Storekeepers with simple mills sent in their boards and planks in payment for supplies. Owners of larger mills received cash or credit for cargoes brought to the Saint John merchant-wholesalers by vessels chartered for the purpose. This was a diffuse and intricate commerce, flexible in its variety, but given an inexorable cast by the attenuated lines of credit that bound its hierarchical structure.

Other Saint John merchant-wholesalers rivalled the Wards in commercial importance. Robert Rankin and Company, for example, conducted an extensive trade in timber from the Fundy port. At the peak of its commercial success, this firm loaded 130 vessels a year with timber, and by one account at least, it supplied imported goods to almost half the merchants of Saint John.<sup>17</sup> Established in 1822 as one of the many British North American branch-houses of the prominent British timber merchants Pollok, Gilmour and Company of Glasgow, the Rankin firm was set apart from the Ward enterprise by the British capital and connection that lay behind it. But there were many similarities in the operations of the two concerns. By the 1830's the Rankin Company had sawmills on the Nashwaak River, just as the Wards had developed their own sawmills in the Point Wolfe area. The warehouses and wharves of Rankin and Ward were important elements of the cityscape, and like John Ward and Sons, Robert Rankin and Company also had shipbuilding interests.



Timber and lumber came to the Rankin firm from many sources, but by the 1840's much of the company's business was conducted through W.J. Bedell in Fredericton. Bedell may once have been in Rankin's employ, but during the late 1830's and early 1840's, he performed many of the functions of a broker, as well as running a store in the capital and engaging in the timber trade on his own account.<sup>18</sup> Bedell conducted business in Fredericton for all the New Brunswick branch-houses of Pollok, Gilmour and Company, advising them of possible changes in the licence regulations and representing them and their employees at the Crown Land Office. He informed Saint John merchant-wholesalers (including John Ward and Sons) of timber coming to market that might suit their needs. And he attended to many facets of Robert Rankin and Company's business with storekeepers, millers, and lumberers in the Saint John valley, detailing the progress of lumbering operations, commenting on arrangements he had reached with lumberers on Rankin's behalf, and seeking advice and offering information about timber *en route* to Saint John.

In Saint John, and in the smaller ports of the province, lesser entrepreneurs found a place in the timber trade as jobbers. William Harper's business at Hall's Creek (the future site of Moncton) illustrates the nature of their enterprises. Harper apparently entered the timber trade in a small way in 1829, acquiring approximately one thousand tons of timber from settlers in the vicinity of his store; in the following year, he corresponded with the Liverpool timber agents Brown, Swainson, and Company and sold two timber cargoes in Kingston-upon-Hull. But the precarious character of Harper's connection with the timber market was revealed in 1831. Two vessels chartered to load timber at "the Bend" of the Petitcodiac River were unable to take all the timber on hand. Harper offered a cargo to a Saint John shipper, but there was a hint of desperation in the rider which followed his initial proposal:

If you do not like that Charter me a vessel as soon as you can from 36/ to 40/- per Load freight Currency and send her here & you shall have a load of good Timber and Quick Dispatch without fail. . .and send the timber to the best market you can find pay yourself and give me the Remainder if any when sold.<sup>19</sup>

Despite these efforts, sizeable quantities of ton-timber and other wood remained on hand at the end of the summer. Anxious to sell, Harper offered cargoes to British timber dealers; his letters reveal much about the overseas commerce of New Brunswick's small entrepreneurs. To Holderness and Ward in Hull, Harper wrote:

By the recommendation of Capt. Ben Stanton and others of St. John I have taken the liberty of addressing you, altho' personally unknown to you. I am the person who last year shipped the *Amity's* cargo. . .likewise the *Diadem* cargo. . .and a few days since, I have sold Richard Garton of your place. . .450 tons of Red pine for your market also – and my motive for writing you is this. I have on hand for sale 1500 tons of all new timber. . . .<sup>20</sup>

After a similar introduction, a letter of the same date to Thomas Sealling in Sunderland



continued:

Should you purchase, I want a large quantity of Brown Earthenware from your place brought out in the vessel as it is much wanted here.<sup>21</sup>

Intimacy and informality were striking qualities of this international trade in the early nineteenth century.

The commercial patterns exemplified by the trade of William Harper, John Ward and Sons, and Robert Rankin and Company were replicated, with differences in range and scale, in most areas of the province. Less prominent wholesalers in Saint John supplied smaller hinterlands and handled less trade than did the few most important concerns, but their commerce was organized along the same broad lines. In St. Stephen, during the second decade of the century, the merchant and sawmiller Aaron Upton conducted an essentially similar business, although sawn lumber was the major commodity of his trade with the West Indies.<sup>22</sup> Two decades later, John Jardine of Richibucto "purchased [and exported] large quantities of timber from merchants and others who. . .[were] not in the habit of shipping themselves."<sup>23</sup> And the mercantile establishments of Crane and Allison, Michael Samuel, Ledden and Abbot and others on the Miramichi fulfilled the same functions of importing provisions, supplying lumberers, purchasing the cut and selling it abroad.<sup>24</sup>

## EVOLUTION

Within this framework, the commercial system was dynamic. Many a merchant-wholesaler, storekeeper, and millowner in the province encountered economic difficulties in the early nineteenth century. Properties changed hands; accommodations were made to declining volumes of trade. Some entrepreneurs persevered until bankruptcy overtook them; others died with debts in excess of their financial worth. In 1848, for example, Jesse Christie (a storekeeper in St. Stephen) died insolvent, owing Saint John merchants almost £300 for earthenware, provisions, and other goods. Earlier in the year, the grist mill, cottage and possessions of C.A. Babcock, a St. Andrews merchant, were sold — with the stock in his store, and his shares in the Steam Mills and Manufacturing Company and the brig *Elgin* — by the Commissioner of Bankrupts.<sup>25</sup> Equally, others prospered as a result of good management and fortuitous location, and their businesses expanded. John Emmerson, for example, kept a small store in the upper reaches of the Saint John valley in the 1830's.<sup>26</sup> Like many a similar country trader, he obtained supplies on account from Robert Rankin and Company and took his timber to W.J. Bedell for rafting, but his commerce was limited until the settlement of the province's northwestern boundary dispute with the United States in 1842. Then Emmerson's business flourished. As lumberers legally moved into the territory beyond the Grand Falls, his establishment at Little Falls (Edmundston) became the focus of expanding local commerce. By mid-century, Emmerson was selling large amounts of general merchandise to settlers, and supplying the many lumber camps in Madawaska with provisions; his commercial contacts included firms in Saint John, Grand Falls, Woodstock, and Riviere du Loup, as well as banks in



Saint John and St. Stephen.

Idiographic explanations aside, the reasons for changing mercantile fortunes are clear. The timber trade was a trade built on extended credit, in which the ramifications of a bank-crash or a sudden depression of the market were likely to be felt at all levels of the system. A merchant-wholesaler, pressed by his creditors in Britain, would probably seek payment of his debts in the province, and country-storekeepers and isolated farmer-lumbermen might feel, in turn, the pinch of distant economic circumstances. Under these conditions, well capitalized ventures with good connections in the market were at a considerable advantage. They were better able to withstand short-term fluctuations in the economy. They could more easily carry unpaid debts. They were less likely to have unsold quantities of timber left on hand. If they did encounter difficulties, they might receive greater indulgence from their creditors than those who had more sporadic dealings with their suppliers. In short a trade built upon credit, familiarity, and trust was predisposed toward the success of those ventures with advantages of size, capital, and connection. Gradually, if not entirely before mid-century, the plethora of small traders and independent jobbers who provided much of the initial commercial infrastructure of New Brunswick's trade in timber gave way to, or fell within the orbit of, larger concerns.

This tendency toward concentration was reinforced by the rising costs of exploiting distant interior forests, by changes in the regulations governing access to the forest, and by the ambitions of individual entrepreneurs. As lumberers moved into remote areas of the province they often faced the expense of clearing obstructions from rivers and building dams for the drive. With inaccessibility, and the added difficulty of driving and rafting, larger parties became typical of lumbering in the interior. The costs of sheltering and provisioning men and animals were greater than in smaller ventures, in which the lumberers were only briefly away from home. And as licence fees on five hundred tons of timber reached £50 in the 1830's, operations on this scale required considerable capital.<sup>27</sup> Merchant-wholesalers most frequently met this need. They advanced supplies on credit, and they contracted lumberers to work on licences which they held. In the process, they extended their financial control over lumbering operations and strengthened their position in the trade.

Licence holders with large financial resources benefitted from changes in the timber-licence regulations during the 1830's. In 1831, private reservations of Crown timber land were offered to those who were willing to guarantee a certain annual cut or to invest in river improvements. Although reservations were abolished two years later, their essential principle was revived in 1835 with the grant of licences for five year periods. The holders of these long term leases acquired exclusive rights to the trees on a specified berth, and agreed to pay tonnage dues on a prescribed amount of timber each year, whether or not it was cut. Both reservations and five year licences offered benefits to large capitalists that were not available to those without the means or the security to establish such long term arrangements. At the same time, the practice of allowing timber cut in excess of the licenced quantity on one berth to be covered by licences for other tracts gave further economic and practical advantages to those who held many licences.



They could usually avoid punitive levies on timber cut without licence while exploiting the trees on their best berths to the full.<sup>28</sup>

Ambition and rivalry also spurred the development of dominant commercial enterprises and large mercantile fortunes in early nineteenth century New Brunswick. In the fluid commercial environment of the colony, the prospects for expansion were evident; capital risked at an opportune time might bring handsome returns; and in the face of the staple trade's endemic economic instability, the monopolization of local trade conferred many advantages, especially in allowing the monopolist to manipulate prices to secure his own position.<sup>29</sup> In addition, less tangible influences lay behind the rise of certain merchant-wholesalers to pre-eminence in the provincial economy. Although it is impossible to weigh the relative importance of economic and social goals to these early nineteenth century entrepreneurs, many of them shared the conviction that their enterprise and investment brought great benefit to the developing province. They saw themselves as instruments, extending "as far as...humble talents would enable [them]" the interests and prosperity of their fellow citizens.<sup>30</sup> In their view, there was a munificent side to their search for commercial fortune.

Nowhere was the emerging dominance of large concerns more marked than in the northeast of the province. In the extensive area between Shediac and the Restigouche River, population was sparse, and with the exception of scattered settlement in the valley of the South West Miramichi, its distribution was essentially coastal. Here, merchant-wholesalers played a large role in the everyday commerce of the area from the first, serving the population concentrated about the ports, and relying less than merchant-wholesalers in Saint John upon country-storekeepers to serve consumers in their hinterlands. The growing importance of these mercantile enterprises in the timber trade of the area during the second quarter of the century is revealed by the timber licence records. In the winter of 1828-29, when one-third of all licences in the province were taken out by 236 individuals who held only a single permit, six persons held ten or more licences. All of these licences were for the Miramichi and Kouchibouguac valleys. Eight years later, in 1836-37, twelve individuals (approximately 5½% of all licencees) held almost half the one year licences issued in the province. Of these, the four largest, with over thirty permits each, were northeastern interests; five of the remaining eight were also from this area. After 1837, the trend toward concentration was confirmed by changes in the licence regulations. Timber licence holders were allowed to renew their permits without competition, and in 1840-41, when fewer licences were issued, some 3½% of licencees held 36% of all permits. Seven of the eight persons who acquired ten or more licences in the winter of 1840 were from northeastern New Brunswick.<sup>31</sup> By 1846, according to one protest at the "monstrous monopoly" which had developed, fourteen individuals held over half of the 5,500,000 acres of licenced Crown Land in the province; even the independent labourer was allegedly "obliged to" contract with large operators at disadvantageous rates.<sup>32</sup>

Paramount among these pre-eminent concerns were the Douglastown, Bathurst, and Dalhousie branch-houses of the Glasgow timber merchants Pollok, Gilmour and



Company, and Joseph Cunard's enterprise in Chatham.<sup>33</sup> These establishments acted as merchant-wholesalers, owned sawmills, and operated shipyards. During the 1830's and 1840's, the tentacles of their financial control embraced many smaller, formerly independent, enterprises. Between them, the four businesses held licences for approximately one-third of the ton-timber and 18% of the lumber covered by one year permits in 1836-37. Little more than a decade later, when licences were issued on a different basis, the four concerns held almost 40% of the licenced area in the province.<sup>34</sup> The expanding interests of these firms brought an ever increasing body of men into their employment. Each winter, hundreds worked more or less directly for them in the forests. To some of these, Cunard and the principals of the Pollok, Gilmour branch-houses transferred licences obtained in their own names, and agreed to take the lumberers' timber if provisions, drygoods, and other requirements were purchased from their stores. Other lumberers were under more binding contracts that stipulated the quantities, dimensions, and types of timber to be delivered in the spring. In the seaboard towns dominated by the Pollok, Gilmour and Cunard firms, clerks manned their offices, and surveyors kept account of the timber received. Skilled shipwrights, caulkers, joiners, riggers, sawyers, carpenters, engineers, and blacksmiths worked in their shipyards and sawmills. Many more labourers assisted in and around these establishments. For some, the work was seasonal. For all – lumberers, labourers, and skilled hands alike – it defined their position in the increasingly stratified society that was developing in New Brunswick.

Although the lines of increasing entrepreneurial control were not etched with equal sharpness across the province, the far-reaching consequences of structural change in the commercial organization of the New Brunswick timber trade were becoming apparent. As monopolies based on capital and commercial strength brought large areas of Crown forest, hundreds of men, hinterland storekeepers, and sawmill owners into their orbit, the conditions of economic and social life in the colony were changed. Although small men in the province probably improved their circumstances and won their independence more often than did their counterparts in Britain, the poor immigrants' chances of upward social mobility in New Brunswick were gradually reduced during the early nineteenth century. With the growing dominance of large concerns, capitalist and workman grew increasingly distinct. Cash and contract more frequently defined the relationships among men. Lines of status-ordering were drawn more firmly. While community banquets and ceremonial parades in honour of Joseph Cunard punctuated life in Chatham during the 1830's, management and authority in the timber trade became ever more impersonal.<sup>35</sup> As the factory owners of an earlier Britain had used traditional feasts and holidays to divide the year and confirm their beneficence as they imposed the discipline of industrial life on the workforce, so analogous events in New Brunswick marked a similar transition in the province.<sup>36</sup> Although Cunard was as much merchant prince as industrial capitalist, his relationship to the people of Chatham was really little different from that of the early English industrialist to his workers. And this was a significant portent. Despite the enormous differences in society and surroundings between mid-nineteenth century New Brunswick and early industrial England, prevailing economic attitudes, emerging social



relationships, and dominant canons of success in the province were essentially those of Belper and Etruria a hundred years before. In New Brunswick, as in Britain, the developments engendered by these conditions spelled the gradual constriction of individual opportunity, and the decline of yeomanly independence with the emergence of a powerful entrepreneurial class and a growing proletariat.

#### NOTES

1. Carl Berger, *The Writing of Canadian History: Aspects of English-Canadian Historical Writing, 1900 to 1970* (Toronto, 1976), 96.
2. Robin Neill, *A New Theory of Value: The Canadian Economics of H.A. Innis* (Toronto, 1972).
3. H.A. Innis, *The Fur Trade in Canada: An Introduction to Canadian Economic History* (Revised edition, Toronto, 1956), 385, 401, cited by Berger, 96.
4. Graeme Wynn, "The Assault on the New Brunswick Forest, 1780-1850" (unpublished Ph.D. dissertation, University of Toronto, 1974), treats the developments summarized in this paragraph in more detail.
5. In this article, the term "timber" is used generically to describe both ton-timber (hewn roughly square with a broad-axe) and lumber (the product of sawmills). Where these products are referred to specifically, the terms ton-timber and lumber are used. Export data for timber are in Wynn, "The Assault," 88-91.
6. New Brunswick, *Journals of the House of Assembly, 1852*, "Population and other Statistics of the Province of New Brunswick, year 1851," Appendix.
7. Despite the volume and economic importance of British North American timber exports in the early nineteenth century, we know little about the commercial organization of the timber trade in the colonies. Historians, approaching this trans-Atlantic trade from a Laurentian-metropolitan perspective, have generally offered a macro-scale interpretation of its operation, stressing the subordinate relationship of Saint Lawrence and Maritime "supply areas" to the British "demand centre". Write large, as in Arthur Lower's revealingly titled *"Great Britain's Woodyard": British America and the Timber Trade, 1763-1867* (Montreal, 1973), this approach "expresses the dynamic, dominating ability of the metropolis to shape and exploit a hinterland" (J.M.S. Careless, "Metropolitan Reflections on 'Great Britain's Woodyard'," *Acadiensis*, III (1973), 105). But it also, almost invariably, underplays the reciprocity of the metropolitan connection as it obscures the intricacy of local detail (W.L. Morton, "Some Thoughts on Understanding Canadian History," *Acadiensis*, II (1973), 106). And these limitations of perspective are compounded by problems of evidence. Small lumbering ventures rarely, if ever, kept records of their commercial transactions, and there are few extant documents from larger concerns. Merchants and storekeepers who handled timber maintained more detailed accounts of their transactions, but bookkeeping was idiosyncratic. Moreover, few corporate and commercial records survive; most that do are fragmentary and intractable (A. Wilson, "Maritime Business History: A Reconnaissance of Records, Sources and Prospects," *Business History Review*, XLVII (1973), 260-76).
8. This inquiry into the entrepreneur's role in the timber trade depends, in part, upon recent studies of nineteenth century marketing and the geography of wholesaling, viz. Glenn Porter and Harold C. Livesay, *Merchants and Manufacturers: Studies in the Changing Structure of Nineteenth Century Marketing* (Baltimore, 1971), and James E. Vance, Jr., *The Merchant's World: The Geography of Wholesaling* (Englewood Cliffs, New Jersey, 1970). The notions of order embodied in the inductive abstractions of these studies confer new meaning on disparate New Brunswick data, resolving fragmentary sources into a more coherent picture of colonial trade.
9. Adam Smith, *Wealth of Nations*, II, Ch. 5, cited in Vance, 27.
10. For studies of all-purpose merchants see: Stuart Bruchey, *Robert Oliver, Merchant of Baltimore* (Baltimore, 1956); James B. Hedges, *The Browns of Providence Plantations: The Colonial Years*



(Cambridge, Mass., 1952); W.T. Baxter, *The House of Hancock: Business in Boston, 1724-1775* (Cambridge, Mass., 1945); B. Bailyn, *The New England Merchants in the Seventeenth Century* (Cambridge, Mass., 1955); and R. Campbell, "Simonds, Hazen and White: A study of a New Brunswick firm in the Commercial World of the Eighteenth Century" (MA Thesis, University of New Brunswick, 1970).

11. U.S., Department of Commerce, *Census of Business, 1954*, Vol. IV, *Wholesale Trade Area Statistics*, Appendix A, 3.

12. Porter and Livesay, 6-7.

13. For further details see D.M. Williams, "Merchanting in the first half of the nineteenth century: The Liverpool Timber Trade," *Business History*, VIII (1966), 103-17.

14. See for examples the account books and daybooks of New Brunswick storekeepers in the New Brunswick Museum. These include the daybook of an unidentified storekeeper of the 1830's, possibly in Sackville, and an account book from Anagance, Kings County.

15. The records of John Ward and Sons are in the New Brunswick Museum. These comments are drawn from the papers relating to the Ward's trade in timber.

16. John Huestis to John Ward and Sons, Fredericton, 18 October 1824, Letters and Surveys in connection with the timber trade, Ward Papers, Pkt. 29, No. 131. See also Stephen Cameron to John Ward and Sons, 12 May 1823, Miscellaneous Correspondence, Ward Papers, Box 39; Hanford Bostwick to John Ward and Sons, Kingston, 23 January 1824, Letters and Surveys in connection with the timber trade, Ward Papers, Box 29; Denis Gallagher to John Ward and Sons, Hopewell, 26 September 1835, Letters and Surveys in connection with the timber trade, Ward Papers, Box 29, New Brunswick Museum.

17. John Rankin, *The History of our Firm* (Second edition, Liverpool, 1921), 68-9, citing a Saint John newspaper of 1894.

18. For Bedell see W.J. Bedell's Letterbook 1837-38 in the Archives of the University of New Brunswick, and Bedell's petition to the Lieutenant-Governor, 21 March 1842, MG9 A1, 25, file 4, 3635-6, Public Archives of Canada.

19. William Harper to Alexander Yeats, Moncton, 7 May 1831, William and George Harper Papers (copies of originals at Fort Beausejour Historical Park), MG24 D58, Public Archives of Canada.

20. William Harper to Messrs. Holderness and Ward, 1 September 1831, reprinted in H.H. Steeves, *The Story of Moncton's First Store and Storekeeper: Life Around "the Bend" a Century Ago* (Saint John, 1924), 152-3.

21. William Harper to Mr. Thomas Sealling, 1 September 1831, reprinted in Steeves, 151-2.

22. For Saint John examples, see Petition of Crookshank and Walker, 22 December 1840, in Timber Petitions 1841, Provincial Archives of New Brunswick, and David and Thomas Phillips to Thomas Trafton, 21 February 1838 in G.J. Dibblee Papers, Pkt. 288, New Brunswick Museum. For Aaron Upton, see "Diary of Aaron Upton" reprinted in *St. Croix Courier*, 29 May, 17 July, 31 July, 7 August, 13 November 1830.

23. Petition of John Jardine, 8 December 1840, in Timber Petitions 1841, Provincial Archives of New Brunswick.

24. See Carter and Chipman to William Crane, 28 February 1852, and other items in Crane and Allison Correspondence, New Brunswick Historical Society Papers, New Brunswick Museum; Papers of Michael Samuel, Chatham, New Brunswick, MSA, A7-9, A316, Provincial Archives of New Brunswick; Ledden and Abbot Account Book, 1826-30, New Brunswick Museum.

25. Items pertaining to the Christie and Babcock insolvencies are in the Provincial Archives of New Brunswick filed under Bankruptcy, file 1820-1860 (Bankruptcy).

26. John Emmerson, Papers and Account Books 1843-1909, New Brunswick Museum.

27. Licence fees and Crown timber regulations are treated in Wynn, "The Assault", 122-79.



28. Graeme Wynn, "Administration in Adversity: The Deputy Surveyors and Control of the New Brunswick Crown Forest before 1844," *Acadiensis*, VII (1977), 58-9, discusses this point in more detail.
29. The term "monopoly" is used in this essay as it was in the nineteenth century to describe situations more correctly known to economists as "monopsony" or "oligopsony" — markets with a single or few buyers, respectively.
30. Joseph Cunard, at a dinner in his honour in Chatham, *The Gleaner and Northumberland Schediasma*, 4 October 1836.
31. The argument of this paragraph is based on data derived from the New Brunswick timber licence records. These records are intractable and much collation and reclassification was necessary to yield the broader picture treated here. The original data are in the Provincial Archives of New Brunswick, classified as RNA/C/10/2, RNA/C/11/1/9 and RNA/C/11/1/14.
32. Assemblyman A.S. Carman reported in *The Gleaner and Northumberland Schediasma*, 20 April 1847.
33. For the Pollok, Gilmour and Company operations, see Rankin, *The History of Our Firm*; the Gilmour and Rankin Papers, University of New Brunswick Archives; and the Pollok Family Papers, New Brunswick Museum. For Cunard see L. Manny, "Colussus of Miramichi", *Atlantic Advocate*, LV, No. 3 (1964), 33-41; "Joseph Cunard" in *The Dictionary of Canadian Biography*, IX (Toronto, 1976), 170-2; J. Cunard and Company, Business Papers, Chatham, N.B., Agreements 1837-41, Public Archives of Nova Scotia; and the Cunard Papers in the Provincial Archives of New Brunswick. Some facets of the timber trade operations of these firms are treated in Wynn, "The Assault", 287-99.
34. Calculated from Timber licence records, 1847-48, RNA/C/11/1/14, Provincial Archives of New Brunswick.
35. Illustrations of this point are in *The Gleaner and Northumberland Schediasma*, 12 July 1836, 4 October 1836, and 30 April 1839. See also the sermon preached by Reverend William Henderson in St. James' Church, Newcastle, 7 May 1852 marking the death of Alexander Rankin.
36. See E.P. Thompson, "Time, Work-Discipline, and Industrial Capitalism", *Past and Present* XXXVIII (1967), 56-97, and Sidney Pollard, *The Genesis of Modern Management: A Study of the Industrial Revolution in Great Britain* (London, 1965), 160-208, especially 181-192.



3. LES BLACKHALL: HISTOIRE  
D'UNE FAMILLE ET DE SON  
INFLUENCE

CLARENCE LEBRETON

Village Historique Acadien







# LES BLACKHALL: HISTOIRE D'UNE FAMILLE ET DE SON INFLUENCE

Clarence LeBreton

Avec la prise du Canada par les Britanniques en 1763, un contingent de marchands des îles Britanniques voit dans cette nouvelle colonie une opportunité de venir y faire commerce. Compte tenu de leur nombre restreint, ces personnes dont le commerce et les affaires étaient leur première préoccupation influencèrent grandement la période qu'on intitule "Le Régime Anglais". Cependant, ce ne sont pas tous des commerçants et nombreux qui viendront sans le sou, et les Molson sont de ceux de modestes origines, mais qui sont un exemple de ces familles d'entrepreneurs.<sup>1</sup>

Cette nouvelle colonie Britannique qu'était le Canada fut aussi la terre promise pour un bon nombre d'Écossais que leur pays d'origine ne pouvait plus soutenir.<sup>2</sup> Les Irlandais, bref, furent ceux qui viennent confirmer cette règle "que le Canada était une terre promise". Quoique l'exode Irlandais fût plus tardif, soit pendant les années 1840-50, il n'est pas moins révélateur de l'incapacité des îles Britanniques d'offrir une sécurité minimale à leur population paysanne.

Que ce soit la famine des patates en Irlande ou la réforme des terres agricoles en Écosse, des milliers de paysans furent contraints de quitter leur terre natale pour le nouveau monde, soit le Canada, dernier gain colonial du trône britannique.

Puisque l'origine des Blackhall est écossaise, il est alors nécessaire de dresser les grandes lignes de la migration écossaise au Canada et illustrer les raisons qui motivèrent grand nombre de paysans de ce pays à venir au Canada.

L'Écosse des XVII<sup>e</sup> et XVIII<sup>e</sup> siècles est un pays qui fut le théâtre de guerres fratricides très pénibles. Parallèlement, une animosité marquée règne entre Écossais et Anglais. L'histoire du soulèvement des "Jacobites" vers le milieu du XVIII<sup>e</sup> siècle démontre l'instabilité en ce pays.

Les famines de la fin du XVIII<sup>e</sup> siècle, surtout celle de 1782-83, en plus des réformes agraires, rendent la vie du paysan de ce pays très difficile. Par ailleurs, les structures sociales telles que du clan ne profitent pas à ceux qui ne possèdent pas de terre, et l'accroissement numérique des troupeaux de moutons viennent perturber l'équilibre entre les terres agraires et les pâturages, laissant foule de paysans sans trop d'alternatives, si ce n'est que de quitter le pays.<sup>3</sup>

Malgré que la période pendant laquelle les Écossais viennent au Canada atteint son sommet entre 1815-1821, l'histoire des émigrants du bateau *Hector*, à Pictou en 1773, est le début d'une émigration triste et pénible d'un peuple en quête d'une existence meilleure.

Dans ce contexte, les Blackhall ne font pas exception. D'origines modestes, le père est "crofter", les Blackhall font partie de cette couche de la population écossaise dont la survie est règle de vie, et lorsque James Blackhall naquit en 1792, lui aussi n'aura que peu



d'alternatives.

## LES BLACKHALL DE L'ABERDEENSHIRE

Contrairement à plusieurs familles écossaises, les Blackhall ne font pas partie d'un clan et sont loin d'une popularité comme les Campbell ou MacDonald. Leur origine est incertaine, mais l'on sait qu'ils sont de l'Aberdeenshire, plus précisément dans la région de Garioch.<sup>4</sup> Pour ce qui est des descendants des Blackhall dont nous retrouvons un de leurs membres comme émigrant au Canada, ils sont d'un petit village de l'Aberdeenshire du nom de Kemnay.<sup>5</sup> C'est ainsi qu'en 1754, nous retrouvons un Robert Blackhall sur une ferme du village de Kemnay, et cela jusqu'en 1799.<sup>6</sup>

C'est ainsi que nous retrouvons James Blackhall né le 21 février 1792 du mariage de Robert Blackhall et de Isabel Reid.<sup>7</sup> Son père Robert était "crofter" sur une ferme du village dont le nom était Pictillum et sa mère Isabel était de la ferme voisine du nom de Parkhill.<sup>8</sup>

James était donc fils d'un "crofter", et par conséquent très peu d'opportunité s'offrait à ce jeune homme, surtout si l'on considère la situation économique de sa famille et celle qui prévalait en Ecosse en cette fin du XVIII<sup>e</sup> siècle. Très peu nous est connu sur la famille de Robert Blackhall, si ce n'est que la ferme Pictillum fut vendue à plusieurs reprises à partir de 1820 jusqu'en 1930, quand la famille Lowe s'en porta acquéreur jusqu'à nos jours.<sup>9</sup>

## JAMES BLACKHALL AU CANADA

...The war of 1812 brought further impetus to the idea of defence in the colonies and of placing emigrants so as to gain a greater measure of territorial security. . .<sup>10</sup>

C'est pendant ces années difficiles que James Blackhall, alors âgé de 20 ans, quitte la ferme natale pour embarquer à Aberdeen sur un bateau qui le mène à Halifax au début de l'année 1813. Les motifs précis de ce départ ne sont pas connus, mais tout porte à croire qu'il est comme la plupart de ces contemporains, à la recherche d'un avenir meilleur. Arrivé à Halifax, il est embauché par la compagnie Thorn Salter, firme qui commerce avec les Antilles en plus de s'occuper de l'approvisionnement des bateaux (ship chandlers).<sup>11</sup>

Dans ses travaux à Halifax, il est raisonnable de penser que James Blackhall n'était que du personnel ouvrier, et B.C. Cuthbertson appuie la thèse que Blackhall fut par la suite envoyé à Newcastle, au Nouveau-Brunswick, par la compagnie qui avait un établissement à cet endroit. C'est ainsi qu'en 1819, nous retrouvons Blackhall à Miscou, Nouveau-Brunswick, et puis dans la région de Dalhousie où il est maintenant à son compte. Cette initiative commerciale dans la région de Dalhousie fut un échec, et en 1822, James Blackhall arrive à Caraquet, petit village acadien de près de sept cents personnes. Ce nouvel endroit sera pour James Blackhall le début d'une fulgurante carrière qui ne s'arrêtera qu'avec la mort de son fils en 1910, l'héritier des pouvoirs paternels.<sup>12</sup>



## JAMES BLACKHALL A CARAQUET, 1792-1857

Arrivé à Caraquet au printemps 1822, la première démarche de James Blackhall fut celle d'obtenir un titre de terre, sur lequel il pourrait s'établir. Pour cette fin il fera appel à Perry Dumaresq, un Jersiais d'origine alors Juge de Paix.<sup>13</sup> Probablement que Blackhall s'était lié d'amitié avec Perry Dumaresq lorsqu'il avait établi un commerce à Dalhousie en 1820.

Caraquet était à l'époque un village où la pêche et l'agriculture étaient les activités premières de sa population acadienne. Une raison qui expliquerait la présence de Blackhall à Caraquet en 1822 est d'une part sa relation avec Perry Dumaresq, homme d'un certain prestige qui aurait recommandé son ami Blackhall auprès des autorités à Frédéricton pour certains postes à combler dans la région. D'autre part, Caraquet ne possédait que très peu de services gouvernementaux et nous pouvons affirmer sans crainte que les liens entre les dirigeants provinciaux et la population Acadienne du Nord-Est du Nouveau-Brunswick étaient très irréguliers.<sup>14</sup>

A la suite de plusieurs démarches James Blackhall deviendra propriétaire d'une terre ayant été accordée en premier lieu à la famille Parisé lors de la "Grande Grant" de 1784.<sup>15</sup> Sur cette nouvelle propriété Blackhall y construira une maison, qui selon la tradition populaire sera la première maison de ce genre à être bâtie à Caraquet et même dans la région. Dans une lettre en date du 21 août 1903, le fils de James Blackhall écrivait à W.F. Ganong: "My father built the first frame house in Caraquet. . . ."<sup>16</sup> De par cette correspondance que l'historien Ganong entretient avec le fils de James Blackhall entre 1903-1906, beaucoup d'information nous est révélée. Dans cette même lettre d'août 1903 nous pouvons lire: "My father was the first magistrate that was appointed in this place also the first customs officer and Post-Master."<sup>17</sup>

Par ailleurs James Blackhall bien qu'il fût le premier Juge de Paix (J.P. Officer) à Caraquet à partir de 1822, n'était pas le seul étranger dans le village même qu'il y avait parmi les émigrants anglophones, des compatriotes. Toujours d'après son fils dans une lettre qu'il écrivait à Ganong, nous apprenons, que John McIntoch, W.H. Munro, Harvey et Alexander Adams ainsi que Charles Coughlan tous écossais étaient venus s'établir dans la région pendant la même période que James Blackhall.<sup>18</sup>

Durant ces premières années vécues à Caraquet, James Blackhall épousa Mary Sennett, Irlandaise Catholique, originaire de la région de Cork. De ce mariage, qui eut lieu en 1826 devant le magistrat Perry Dumaresq naquirent sept enfants. Il est à noter que Blackhall était de religion presbytérienne, son épouse étant catholique, ceci expliquerait le mariage par un juge plutôt que par des représentants du clergé. Alors les filles seront de la religion catholique et les garçons de la religion paternelle. Le premier né soit James George Canning Blackhall, soit l'héritier, naquit le 17 janvier 1827. Par après, Mary en 1829, Robert, Jane, Thomas, Helen et John, sera la famille du couple Blackhall.

## FONCTIONS ET VIE PUBLIQUE, 1822-1857

Arrivé à Caraquet nous apprenons la nomination de James Blackhall au poste de Juge de Paix (J.P. Officer).<sup>19</sup> Il va sans dire que Perry Dumaresq avec son influence a



certainement contribué à l'obtention d'un tel poste. Evidemment le poste de Juge de Paix dans une communauté comme celle de Caraquet, représentait beaucoup de prestige et le Juge de Paix se voyait confié plusieurs autres postes. C'est ainsi qu'à partir de 1824 jusqu'à 1857, James Blackhall sera en plus d'être Juge de Paix, syndic scolaire, maître du Havre, douanier, commissaire de la voirie, percepteur, inspecteur de poisson et des quarts, membre de la commission de santé (Board of Health), clerc de la paroisse et évaluateur.<sup>20</sup>

L'important à faire ressortir de ce monopole de fonctions publiques, est qu'il était répandu dans plusieurs localités Acadiennes, et qu'il (le monopole) était entre les mains d'étrangers, surtout Anglophones. L'historien Donat Robichaud, définit très bien la situation pour Shippagan pour cette même époque:

Il est intéressant de constater dès les débuts de l'organisation paroissiale la multiplicité des postes avec une échelle très étendue d'importance, de prestige et de rémunération. Les notables de Shippagan cumulaient le plus souvent les fonctions les plus importantes pour leur compte personnel ou celui des compagnies qu'ils représentaient. Ainsi de 1830-1850, John Doran était tout à la fois commissaire de la voirie, gardien des pauvres, maître du port, syndic d'école, maître du havre, inspecteur du bois, etc. . . .<sup>21</sup>

Il est alors aussi intéressant de constater que le fils de James Blackhall, soit James George Canning épousera Eliza Doran, la fille de John Doran, mariage qui eut lieu le 7 février 1860.<sup>22</sup>

Lorsque Caraquet obtient son premier bureau de poste, en 1846, James Blackhall devint de facto maître de poste et ajoutait une fonction de plus à son répertoire.

Toutes ces fonctions il les conservera jusqu'à sa mort en 1857.<sup>23</sup> Avec ses contemporains, James Blackhall avait été influent et avait mis en place les structures d'un contrôle du service public que son fils, James George Canning Blackhall, héritera.

## JAMES GEORGE CANNING BLACKHALL, 1827-1910

James G.C. Blackhall était l'aîné de la famille. Né le 17 janvier 1827, il sera après la mort de son père l'héritier tout désigné. En plus d'hériter des propriétés, il sera aussi le descendant qui exercera les fonctions publiques de son père. Il va sans dire que de toutes les fonctions qu'occupait son père, celle de juge de paix (J.P. Officer) est la plus importante. Ensuite, celles de maître de poste, commissaire d'école et douanier venaient compléter son rôle de membre actif de l'élite anglophone de Caraquet. C'est ainsi que James G.C. Blackhall sera nommé Juge de Paix en 1858, en remplacement de son père. Son mariage avec la fille de John Doran de Shippagan, en 1860, venait affirmer son statut. De ce mariage naquirent huit enfants, soit Isabella Mary, née le 2 janvier 1861, James Albert, Eliza, Louisa Clara, John, Frank Ernest, Harry William, et Anne Elizabeth née le 26 novembre 1879.

Plusieurs événements durant sa carrière viendront perturber la renommée de James G.C. Blackhall. Auparavant, mentionnons qu'en 1861, il est nommé capitaine de milice et chargé de regrouper un camp de miliciens dans la région. En plus, il sera coronaire et collecteur des taxes. Il sera aussi l'agent des signaux pendant plus de dix ans.<sup>24</sup>



## VIE PUBLIQUE

La loi scolaire du Nouveau-Brunswick de 1871 fut, pour les francophones, une source de mécontentement qui se traduisit par plusieurs événements dont l'émeute de Caraquet.<sup>25</sup>

Les commissaires d'école pour Caraquet à cette époque étaient Philip Rive, Joseph Sewell et James G.C. Blackhall. Sur une population de 3,000 personnes, soixante-dix familles étaient anglophones, et les commissaires faisaient donc partie de cette minorité anglo-protestante de Caraquet. Or, cette loi qui instituait un système scolaire non-confessionnel oubliait de facto l'enseignement de la religion, enseignement toujours présent dans les écoles catholiques françaises. La population Acadienne, tant à Caraquet qu'ailleurs manifesta grandement contre cette loi, et les gens de Caraquet refusèrent de payer leurs taxes. C'est alors qu'en 1874 vint l'assemblée pour nommer des syndics scolaires et les francophones s'en choisirent trois. Parallèlement, les anglophones remettent en fonction les trois de l'année précédente, soit Blackhall, Sewell et Rive.

L'assemblée de janvier 1875, par laquelle il était question d'embaucher un professeur, fut houleuse, et les trois syndics anglophones, car eux seuls étaient reconnus, subissent des menaces à la suite de cette réunion des gens de Caraquet, au nombre de plus de cinquante âmes forcèrent, dans leur foyer, les syndics anglophones de démissionner. Devant le climat de panique, Robert Young, alors membre du Conseil Exécutif de Nouveau-Brunswick et résident de Caraquet, fait appel à la milice qui arrive à Caraquet une semaine plus tard. Des affrontements eurent lieu et le résultat sera qu'un milicien du nom de Gifford sera tué et un Acadien, Louis Mailloux. Blackhall sera donc très lié à cet événement, car en plus d'être syndic scolaire et membre de la minorité anglophone, il était aussi juge de paix et coronaire. Par ailleurs, il sera l'interprète pendant les enquêtes préliminaires. Témoin lors du procès, il fera preuve d'un parti-pris qui ne cache plus sa position. Son origine anglophone est la plus importante de toutes les autres fonctions.

Un autre événement d'importance dans la vie de James G.C. Blackhall est l'accusation de fraude à laquelle il eut à faire face, fraude concernant la remise de l'argent des impôts qu'il avait perçu. Dans le journal *Le Courrier des Provinces Maritimes* de Bathurst, Blackhall est accusé de n'avoir pas tout remis l'argent perçu pour les taxes.<sup>26</sup> Tout ceci n'aidait pas Blackhall qui avait perdu beaucoup de prestige lors des troubles de 1875. En plus, son frère Richard est en mauvaise posture financière, car ses aventures commerciales ne portent pas fruit et il fait banqueroute pendant les mêmes années.

Cependant la famille de James G.C. Blackhall avait suivi les traces de leur père. L'influence de la minorité anglophone du nord-est était réaffirmée surtout lorsqu'en regarde les mariages. James G.C. Blackhall maria Eliza, sa fille, à Peter Fiott, alors gérant de la compagnie jersiaise bien connue de Robin Collas installée à Caraquet depuis 1837. Une autre de ses filles, soit Louisa Clara, épousa George Dalton LeRiche, gérant à Shippagan d'une autre compagnie jersiaise du nom de W.M. Fruing Ltd. Enfin, le frère de James G.C. Blackhall, Richard, maria sa fille Mabel à Nicholas De Ste-Croix, gérant des Fruing à Caraquet. Les liens familiaux sont aussi des liens d'influence commerciale et forment "un tout" qu'on peut qualifier de monopole d'influence. Cette famille, par



contre, subira le déclin, parallèlement au déclin que connurent les compagnies jersiaises au début du 20<sup>ième</sup> siècle.

James G.C. Blackhall, pour sa part, quittera cette terre le 21 mai 1910, et cette année marquera la fin des Blackhall à Caraquet. Ses fils ayant quitté Caraquet pour travailler ailleurs et ses filles, mariées pour la plupart à des gérants de compagnies, quittent aussi Caraquet lorsque les maris se verront dans l'obligation de quitter leurs fonctions pour des raisons commerciales. Avec la fin des Robin, Fruing, etc., la minorité anglophone du nord-est du Nouveau-Brunswick voyait un siècle de prestige se terminer, et leur raison d'être et leur survivance étaient menacées. C'est alors qu'ils quittèrent la région.

## LA MINORITE ANGLOPHONE DU NORD-EST DU NOUVEAU-BRUNSWICK AU XIX<sup>e</sup> SIECLE

Evidemment, James Blackhall et ses descendants étaient des membres actifs de cette minorité anglophone du nord-est du Nouveau-Brunswick. Ces habitants venus pour la plupart des îles Britanniques s'étaient établis au Nouveau-Brunswick pour y faire commerce. Que ce soient les Robin, Fruing ou les Rives, tous avaient leur personnel recruté dans leur pays d'origine et très peu d'Acadiens parvenaient à s'y trouver un emploi de commande. Il en va de même pour les Young, Hubbard et les Loggie.<sup>27</sup> Les Blackhall, dans ce contexte, n'étant toutefois par commerçants y trouveront une certaine prospérité.

Les Blackhall seront en quelque sorte des intermédiaires indispensables pour le bon fonctionnement des intérêts anglo-protestants de cette région. Car les fonctions des Blackhall dans plusieurs domaines assuraient une connaissance approfondie des informations et des nouveaux développements que les autorités gouvernementales et municipales pouvaient énoncer. Bref, dans ce réseau, les Blackhall en plus des fonctions et des postes de chef de famille se trouveront une place par l'intermédiaire des mariages et des liens de parenté qui en découlaient.

Mais ils connurent la fin lorsque le monopole des Robin, Fruing, etc., fut ébranlé à partir de 1886,<sup>28</sup> et ensuite dans les années vingt lorsque ces compagnies virent leur fin approcher.

## NOTES

1. *Dictionnaire Biographique du Canada* (Quebec, 1972), X, 567-576.
2. D. Campbell and R.A. MacLean, *Beyond the Atlantic Roar: A Study of Nova Scotia Scots* (Toronto 1974).
3. "As the clearances increased in intensity during the early years of the nineteenth century, and as no solution was found to the problem of too many people on too little land, there was a change in the nature and extent of emigration. During the period 1803-1815, there were more who left Scotland through lack of alternatives than in the preceding decades of the eighteenth century. And as their numbers increased the conditions under which they travelled worsened." Campbell and MacLean, 16.
4. "...The family were hereditary coroners and foresters of the earldom of Garioch from an early period probably before the beginning of the 15th century. Early in the 17th century, the family fell into decay and their lands and offices were acquired by the Burnetts who had intermarried with



them. . ."; George F. Black, *The Surnames of Scotland* (1946), 838.

5. W.M. Bennett, *List of Pollable Persons Within the Shire of Aberdeen 1696* (1844), II.
6. "Kemnay Rent Book and Mulcture Books, Inventory of Houses and Estates 1754-1799," furnished by Mrs. Susan Milton Laird of Kemnay, April 1976.
7. Parochial Register, Kemnay, County of Aberdeen, CCVII, 1660-1819, General Register House, Edinburgh.
8. Lors de mon séjour en Ecosse, avril et mai 1976, j'ai appris que la plupart des fermes portaient un nom et cela facilita de beaucoup mon travail de recherche en généalogie de la famille Blackhall et de leurs déplacements au cours des siècles.
9. Interview avec Mme. Lorna Lowe, avril, 1976.
10. Campbell and MacLean, 30.
11. Recherche effectuée par B. C. Cuthbertson, chercheur, Public Archives of Nova Scotia, février 1977.
12. Pour des raisons d'ordre pratique et vu le trop grand nombre de documents, il m'est impossible de fournir toutes les références aux faits qui seront énoncés dans les pages qui vont suivre. Cependant, les lieux de recherches pour la rédaction d'un manuscrit qui doit être publié en automne de cette année sont: Archives publiques de la Nouvelle-Ecosse; Archives provinciales du Nouveau-Brunswick; Centre d'Etudes Acadiennes, Université de Moncton; Centre de documentation, Société Historique Nicholas Denys, Shippagan, N.-B.; Archives de la famille Blackhall et divers journaux tels *Le Moniteur Acadien*, et revues, etc. . . .
13. Perry Dumaresq, 1789-1839. D'origine jersiaise il fut membre de la marine Royale, et vint s'établir à Dalhousie au N.-B. où il fut juge de Paix, douanier et trésorier. D. Robichaud "Les Dumaresq," *Revue d'Histoire Société Historique Nicolas Denys*, I, no. 5 (Sept.-Dec., 1972), 108-114.
14. A cet effet, nous savons que le premier bureau de poste à Caraquet n'ouvre ses portes la première fois qu'en 1846, et que James Blackhall y fut le premier Maître de Poste.
15. W.F. Ganong, *The History of Caraquet and Pokemouche* (St. John, 1907).
16. "Lettre de J.G.C. Blackhall à W.F. Ganong," le 21 août 1903, *Ganong Manuscripts*, 360-362, St. John Museum, N.B.
17. *Ibid.*
18. "Lettre de J.G.C. Blackhall à W.F. Ganong," le 14 janvier 1906, *Ganong Manuscripts*, II, 45.
19. New Brunswick Provincial Archives, *List of Commissioners under the Government Provincial Seal*.
20. Tous ces renseignements concernant la carrière à James Blackhall furent puisés au Archives Provinciales du Nouveau-Brunswick, dans diverses collections.
21. D. Robichaud, *Le Grand Chippagan — Histoire de Shippagan* (Beresford, 1976), 136-137.
22. John Doran, 1796 — c.1865. Né à Liverpool, il épousa en 1808 Mary Gordon, écossaise d'origine. Il vint s'établir à Shippagan en 1829 où il y mena une carrière impressionnante dans les affaires publiques. Voir à ce sujet Robichaud, 359-361.
23. Inhumé dans le cimetière de New Bandon, petite localité anglo-protestante à quelques 20 milles à l'ouest de Caraquet. On peut, par ailleurs, lire sur la pierre tombale ce qui suit: "To the memory of James Blackhall, Esq. A native of Aberdeenshire Scotland who departed this life at Caraquet, Oct. 23rd, A.D. 1857, Aged 65 years."
24. Les signaux étaient utilisés pour avertir la population des prédictions météorologiques et ils se faisaient à l'aide d'un mât et d'appareils tels un entonnoir et des drapeaux.
25. Pour plus d'informations sur cette émeute voir: George Stanley, "The Caraquet Riot — 1875", *Acadiensis*, II, No. 1 (1972), 21-38.
26. "Le comité sur les retours des collecteurs et magistrats percepteurs rapporte que le magistrat



percepteur Blackhall a été amené devant le comité et que ses retours ne sont pas satisfaisants. Ils recommandent en conséquence qu'un ordre soit émis afin de l'emprisonner jusqu'à ce qu'il paye ce qu'il doit." *Courrier des Provinces Maritimes*, jeudi 4 février 1886.

27. Voir à ce sujet Gary Hughes, "Miscou and Shippagan: The State of Bondage" (unpublished manuscript, New Brunswick Museum, Saint John, 1974).

28. "Depuis plus d'un siècle, la maison Robin possédait quatorze établissements de pêche et de préparation du poisson, situés dans les meilleurs endroits du golfe, et reliés au comptoir principal de Paspébiac; une flotte considérable de bateaux pêcheurs, de brigantins pour le transit de la marchandise en Europe et aux Indes Occidentales; des quais, des magasins, des hangars et tout l'outillage requis pour faire un commerce de cinq à six millions de dollars par année. Pour mettre en valeur toutes ces propriétés, une armée d'employés, dressés dès le jeune âge au travail qui leur est assigné et soumis à une discipline plus rigoureuse que la discipline militaire, était chargée d'exploiter et de pressurer le pauvre pêcheur, de lui donner juste de quoi vivre, mais pas assez pour lui permettre de s'émanciper; de le tenir dans l'ignorance en prescrivant les écoles. Ces malheureux que l'insuffisance de leurs terres forcent à pêcher pour la compagnie, afin de gagner leurs chétives existences, sont de véritables serfs condamnés à vivre aux plus durs travaux, à des privations continuelles, et ils s'étiolent dans une indigence et une tristesse sans espérance. Jamais monopole plus odieux et plus barbare ne fut exercé avec plus d'impunité. La maison Robin était assez puissante pour faire céder les gouvernements, et à plus forte raison les députés, les inspecteurs et les employés publics. L'organisation était si parfaite qu'on ne pouvait prévoir aucun moyen humain pour l'enrayer; à la tête, un conseil d'administration habile, disposant d'un crédit et d'un capital illimités; un personnel immense à tous les degrés de l'échelle, puis, en bas, bien en bas, le peuple, la plèbe, le pêcheur, la meule du pressoir qui alimente cette grande industrie. On voit de quels puissants moyens cette maison disposait. Elle se moquait de toute concurrence et il n'a fallu rien moins que l'arrêt de la Providence pour la mettre à l'ordre. Quelle sera la conséquence de cette suspension? Les établissements de pêche et la flotte seront-ils vendus aux américains? Ou bien seront-ils divisés par petites compagnies dans chaque localité? Nous l'ignorons, et il est certain que ce brusque changement va déranger beaucoup de choses. Les pêcheurs, habitués aux avances que leur faisait la compagnie et y comptant pour vivre vont se trouver dans une profonde misère. Ce serait le temps d'organiser cette armée de pêcheurs canadiens sur un pied d'égalité avec les pêcheurs américains." *Courrier des Provinces Maritimes*, 11 février 1886.



#### 4. DISCUSSION FOLLOWING THE PAPERS OF G. WYNN C. LEBRETON

FISCHER commented on Wynn's suggestion that the increasing concentration of entrepreneurial activity in northeastern New Brunswick led to a situation where opportunities were minimized. Is not the entrepreneur one who opens up opportunities, and is it not his task to do so? Or are we seeing a different pattern in New Brunswick?

WYNN thought that much depends upon how one defines opportunities. Certainly the activities of the Cunards and Rankins helped to create employment opportunities, and they believed that their investments helped to advance the interests of everybody in that area. But there were diminishing opportunities for the small man to operate independently, and contemporary criticism of the merging monopolies echoes the concerns of recent immigrants and those at the bottom of the economic scale, who were forced increasingly to work for the monopolists. Those forced to work for the monopolists under binding contract feared that they would never escape the yoke of debt, since the monopolist could manipulate the price of supplies or of timber so as to maintain the small man's indebtedness. The opportunity for the small man to break out of the system was constricted: he could not engage in the timber trade for two or three seasons and use his profits to buy a small farm, or set himself up as a country storekeeper.

PANTING wondered if there was a link between the two papers. How far was the stratification of society in northeastern New Brunswick built upon ethnic and linguistic differences?

Within the timber trade itself, WYNN believed, Acadians played a very minor role: very few took out timber licenses, and the labour force consisted mainly of Irish and other British immigrants. After 1860 there may have been an ethnic division in which the English controlled the trade, and the Acadians provided much of the labour; but this was not the case before 1850.

LEBRETON thought that the Acadian population of northeastern New Brunswick was tied into the fishing economy by chronic indebtedness, and that their ability to move into the timber industry was severely restricted. There was an ethnic divide *between* economic sectors, as well as within the fishing economy.

L. FELT wondered how important were the mercantile links between New Brunswick and England in explaining the structure of the timber industry. Is there a distinction to be made between the indigenous merchant-wholesaler and the international wholesaler?

WYNN agreed that it was essential to look at the fluctuations in the British market in order to understand the parallel economic cycles in New Brunswick. In order to understand the structure of the industry in New Brunswick, however, we must first look in detail at the merchants and wholesalers in New Brunswick itself. This is not to deny



the importance of British connections, of course. Operations such as the Gilmour Rankin enterprises, which could draw upon imported capital, or rely upon funding from their British base, appear to have been more secure economically. At the end of the 1840's, after considerable rivalry between Cunard and Gilmour Rankin on the Miramichi, Cunard overextended himself in attempting to defeat his competitors, and eventually went into bankruptcy. It's arguable that Cunard's well-organized operation failed because he was a one-man operation, depending largely upon indigenous capital, whereas Gilmour Rankin could deploy capital from outside or from their branch-houses in the Quebec timber trade.

BUCKNER asked if it was not possible to be more precise about the connection between events in Britain and the trend towards concentration in the timber industry. Surely the uncertainties in the British market by the late 1820's must have encouraged concentration in New Brunswick, by shaking out those who had less capital and those more vulnerable to market forces.

WYNN agreed that the boom and bust cycle emanating from Britain was an important factor in encouraging concentration. Certainly after 1826, when the Miramichi had its fire, and after Black Monday, the bank crash in England, the trade was severely affected, and whenever it was rumoured that the preferential tariff might be eliminated, there was great uncertainty which affected the smaller men in the trade. This is a relevant factor. It is worth noting, however, that although Gilmour Rankin was established much earlier, it was not until 1828 that we see merchant-wholesalers acquiring licenses to pass on to groups working under contract to them and thus extending their control. The boom and bust cycle does not appear to have encouraged concentration before this time.

JANNASCH asked if there were any companies in the early nineteenth century which combined all elements of the timber trade which Wynn had mentioned – the wholesaler, the storekeeper, the sawmiller, and the broker? When did the self-contained operation, or the company town, begin in New Brunswick?

WYNN thought that the company town was a product of the last decade or two of the nineteenth century. There were precedents, such as the attempt by the American Thomas Boyd to control all operations in one town in the 1830's, but his attempt was short-lived. Other self-contained industrial structures were planned, but they did not come about until the later decades of the century, when the distribution of capital and the systems of communication were very different.

ALEXANDER concluded the discussion by asking participants to consider two questions. Did the structure of trade relations in New Brunswick differ significantly from the structure of other industries in other areas at the same time; and if so, what does this tell us about the economic development of the region or the nature of entrepreneurship in the Maritimes as a whole? Second, to what extent were the Blackhalls representative of entrepreneurs in the region? They were individuals operating within an emerging monopolistic resource economy, cornering public resources as mediators between private industry and public interest. Was Blackhall a prototype of later entrepreneurs in the Atlantic region?



5. THE MORANS OF ST. MARTINS,  
N.B., 1850–1880: TOWARD  
AN UNDERSTANDING OF FAMILY  
PARTICIPATION IN MARITIME  
ENTERPRISE

A. GREGG FINLEY

New Brunswick Museum







# THE MORANS OF ST. MARTINS, N.B., 1850–1880: TOWARD AN UNDERSTANDING OF FAMILY PARTICIPATION IN MARITIME ENTERPRISE<sup>1</sup>

A. GREGG FINLEY

The place the Micmacs called Quaco was well known to the seafarers of Fundy Bay.<sup>2</sup> In 1603 Champlain sailed past the sculptured red cliffs of Quaco Head and was sufficiently impressed with this huge outcropping of sandstone that he christened it the "Cardinal's Hat."<sup>3</sup> The first permanent white settlers were British Americans – Loyalist members of the King's Orange Rangers, recruited from Orange and Dutchess Counties, New York.<sup>4</sup> Their number was soon doubled by more Loyalist families who arrived in the late 1790's from Chester, N.S.<sup>5</sup> The nucleus of the settlement was thus established, and on November 10, 1796, the Quaco grant was registered in Fredericton and comprised a total of 6890 acres. It included twenty upland lots (6700 acres), sixteen lots of marshland (129 acres), and nine town lots (61 acres).<sup>6</sup> The site was named St. Martins by one of its original grantees, Mathias Moran, after his family's ancestral home in the Angoumois region of southwestern France.<sup>7</sup>

The township was nestled close to the Fundy shore about thirty miles up the Bay from Saint John. There was a small landlocked harbour in the eastern section of the settlement, and a crescent-shaped pebble beach stretching for two miles to Quaco Head in the west. Here on this broad beach the first modest attempts at shipbuilding occurred around 1800.<sup>8</sup> The industry gradually prospered and as a consequence, by the end of the nineteenth century Quaco shipyards had launched the largest number of vessels in New Brunswick outside of Saint John.<sup>9</sup> An imposing ridge of densely wooded coastal hills to the north effectively isolated the settlement from the interior of the province. In fact, the first crude footpath through the backwoods to Saint John, via Loch Lomond, was not opened until 1818, and even then it involved an arduous and distant journey that few made.<sup>10</sup> Hence, with their backs to the land the people turned seaward for their communications and their livelihood.

Early histories rank St. Martins as the third town in New Brunswick after Saint John and St. Andrews, with the promise of a great future. Hollingsworth noted in 1787 that the community had a population of six hundred people.<sup>11</sup> The 107 houses in St. Martins in 1824 were connected by a single road that ran parallel to the beach.<sup>12</sup> At no time did the settlement deviate from this fundamental pattern. It never developed the customary grid-form, composed of town lots divided by intersecting streets, such as other New Brunswick Loyalist communities.<sup>13</sup> The settlement plan tended to reinforce a singular orientation – its focus was the Fundy shore and as the century progressed the community's enterprise succeeded and failed there. From the beginning there was little need or inclination to turn inland, except to the forest for timber. Page Smith has observed that, "in most instances, the circumstances of settlement have determined the



character and future development of the town," and St. Martins was no exception to this general truth.<sup>14</sup> For the next hundred years the sea and the forest would act as the primary physical determinants of social and economic life.

My initial research on St. Martins began as a community study of a shipbuilding village. It seemed to me that such a project would help to fill a void in the historiography of the Atlantic Provinces, where so little attention has been paid to the story of wooden shipbuilding in the scores of coastal villages and towns throughout the region. Yet as I began to explore the history of maritime entrepreneurship in St. Martins, a dominant theme appeared to shape and characterize the tradition of the village. The shipbuilding activities of the community revolved around families operating as business units. Although my discovery was neither original nor totally unexpected, it was clear that the pervasiveness of this pattern of family enterprise structured the social organization of nineteenth century St. Martins. Furthermore, without a detailed study of how this family-based social organization functioned, it was impossible to construct a precise portrait of this shipbuilding community. Consequently, in this paper I shall present a case study of one of the St. Martins families, the Morans.<sup>15</sup>

The implications of family entrepreneurship in St. Martins have more than purely local interest. Though no detailed comparisons are made with other coastal shipbuilding communities in the region, implicit in this study is the notion that the St. Martins experience was not unique. By exploring the high degree of family participation in maritime enterprise in this Bay of Fundy village, important characteristics of the industry become evident. Its family orientation helped determine that shipbuilding would remain a localized, small scale, essentially handicraft activity. Consequently in the 1870's, when world economic conditions made it necessary for the industry to modernize and adjust to a new, more sophisticated age of iron and steam, the required adaptation was, in the case of most family businesses, too drastic to undertake in less than a generation. The results, for those families who were unable or unwilling to cope with the new order, were decline, disillusionment and defeat.

Thus this study approaches the community through the perspective of the family in order to explore a pivotal question in the history of Atlantic Canada — namely the dramatic decline of the wood-based maritime industries in the region after 1880. Sociologists maintain that the family, as a primary group within society, provides a basic reference to understanding social change. Historians such as Aries, Demos, Greven and Morgan have accepted this premise and have employed the family as a means of illustrating social organization and change in the past.<sup>16</sup> The present study utilizes the family unit as a point of departure, not only because it exists as the key to the study of maritime enterprise in St. Martins but also because it reflects the considerable transition that occurred in the fortunes of the builders and owners of wooden ships in the third quarter of the nineteenth century. The family, as a fundamental and durable social institution, can be seen as a common denominator for the maritime society that developed along the shores of Atlantic Canada. As such, an appreciation of the nature of family involvement in shipbuilding should offer some insights into the circumstances



surrounding the rise and fall of the industry both in St. Martins and in the region between 1850 and 1880. Therefore, through this case study of one family within the context of one community, it is hoped that some of the questions raised, methods used, and even some of the substantive conclusions reached, will have a wider application.

The time-frame 1850 to 1880 has been selected for a number of reasons. First, these years coincided with the boom and decline of wooden shipbuilding in New Brunswick and the world – it was a time of rapid socio-economic adjustment for coastal communities. Secondly, during this period three generations of Morans were actively engaged in various aspects of maritime enterprise – these decades are thus ideally suited for an examination of the family as a business unit. Thirdly, this was for the Morans and other Canadian shipping families a period which saw more vessels of greater tonnage being constructed than at any other time in the century – the financial risks were great, but so were the financial opportunities. Fourthly, in the Moran story the decade of the 1850's saw the family establish a shipping agency in Liverpool as a permanent international connection, reflecting their commercial expectations; and by 1874 their shipbuilding operation was relocated from St. Martins to Saint John in an attempt to meet the challenge posed by iron and steam ocean transport. Lastly, by 1880 the final scenario saw a failure in family leadership through the death or retirement of the principal partners, and a failure to maintain earlier profit levels because of the accelerated decline of the wooden maritime industries. (It should be noted here, however, that the study treats selected themes prior to 1850 where it is felt necessary to provide appropriate background information on the family and/or St. Martins itself.)<sup>17</sup>

Six months after the British army had toppled Napoleon in a field south of Brussels, a 391-ton vessel was proudly launched from a St. Martins' shipyard. Its nameplates bore the name of this great battle. The story of the *Waterloo*, the first square-rigged ship to slide into the Bay of Fundy at Quaco harbour, begins in the late summer of 1814 with the following contract between John Ward and Son of Saint John and James Moran of St. Martins:

That we will contract or employ hands by the day to get the Timber and plank in the yard so soon as the Hauling will admite, and that we will employ a master Carpenter and men by the day to build the said Vessel all of which James Moran will attend to and keep an account of the expenses. That John Ward & Son will supply James Moran with such goods as may be wanted at their cost and charges which goods he will dispose of to the best advantage, each having a share of the profits on such goods in proportion to the interest they held in the Vessel to be built, that is three fourths to John Ward & Son and one-fourth to James Moran. That John Ward & Son will import from England Cordage and Canvas and to supply them at cost & charges.<sup>18</sup>

The construction of the *Waterloo* represents the earliest phase of the Moran family's involvement in maritime enterprise. It is thus a useful starting point for a consideration of the entrepreneurial functions of the family as a business partnership. Among the leading families of St. Martins, the Morans built the largest number of vessels



over three generations. The building began prior to the *Waterloo* when James Moran, at twenty-four years of age, built the fifty-nine ton schooner *Thistle* in 1805. It concluded in 1877 when James H. Moran had the 1547-ton ship *Prince Lucien* built for him at Saint John. In all seventy-seven vessels have been documented as built and/or owned by the Morans between 1805 and 1879.<sup>19</sup> It should be noted, however, that the records of ship construction and ownership are fragmentary. During their involvement in the nineteenth century maritime industries, it is probable that the Morans were associated, either through construction, or ownership and management, with as many as eighty-five to one hundred vessels. In any case, the Moran fleet was one of the largest New Brunswick fleets during the 1870's, one of half a dozen major shipping firms operating out of Saint John and Liverpool.<sup>20</sup>

By international standards the Morans had a medium-sized shipping business during the period 1850-1880. The shipyard operation was not as large as some American or British city establishments where two to five vessels could be constructed simultaneously, and where as many as two hundred people were employed. Nor was it on the small scale of the scores of rural yards that dotted the Maritime coastline, employing a dozen or so shipyard workers and turning out schooners and brigantines for the coastal trade.<sup>21</sup>

By 1850, when all the major Saint John builders had commenced operations, the Morans, too, were well established in St. Martins.<sup>22</sup> James Moran had been building vessels and operating a shipyard for over four decades, producing at least twenty vessels in that time. He had developed technical and managerial expertise, had established business contacts at home and abroad, and perhaps most importantly for this story had brought his two sons, Robert and James H., into the business as master mariner and junior shipbuilder, respectively.

At the youthful age of seventeen Robert commanded the 152-ton brig *Elizabeth* in 1830. The following year he was master of another brig, the *William and Robert*, and in 1833 he purchased a ninety-eight ton schooner from a neighbour, Jacob Bradshaw.<sup>23</sup> Before moving to Liverpool in 1852, Robert had spent twenty-three years at sea as master and part-owner of Moran vessels in a career as "one of the most distinguished of New Brunswick captains."<sup>24</sup> His brother, James H., who was three years younger, spent much less time at sea, devoting his energies instead to working side by side with his father and uncle Charles in the family shipyard. He began helping his father about 1834, when he was in his late teens. It was not until he was twenty-eight years of age that he went to sea in the 612-ton Moran ship *Charlotte*, of which Robert was master. The next year, in 1845, he commanded the 662-ton ship *Jane* on her first voyage. In 1848 he returned to St. Martins to assume major responsibilities under his father's overall management in the family shipyard. James H. also invested in family vessels during this period, as in the case of his ten shares in the 859-ton ship *William Vail* built in 1847.<sup>25</sup>

Obviously these shared experiences of participation in the family enterprise were important in developing in both brothers the interest, ability and motivation to carry on the business. Such intimate associations at sea as the joint operation of the *Charlotte* in 1844, noted above, or the opportunity for father and sons to work together in the shipyard driving the team of oxen or working on the hull of the vessel, must have had a



profound impact on the two brothers.<sup>26</sup> Early in life they had explicit economic responsibilities in connection with the business, and it was these definite roles and status arrangements that helped to determine the day-to-day functioning of the household and the business. Indeed, work was a natural extension of family life, and it merged almost imperceptibly with all the shared activities of the family group.

The important role of ship's captain illustrates the principle of kinship solidarity and family involvement in the business. The captain was responsible for the vessel and its crew, for the safety of its cargo while at sea, and for supervising the final disposition of the cargo in a foreign port. As well, he had to purchase supplies for his ship, and often had to have it repaired between voyages or to arrange for additional fittings and rigging, such as copper bottoms, iron knees, ropes, sails and deck gear. The captain was consequently in charge of a large investment in the ship and its cargo. The Morans employed sons and sons-in-law to command many of their vessels, believing that family ties best guaranteed their financial interests.<sup>27</sup> Captain William Moran wrote to his father in St. Martins from the ship *Crown Prince* docked in Liverpool harbour, August 10, 1871. His concern over operating costs and his responsibility to his father and the other owners (who were relatives) was evident when he stated:

I am doing my utmost to keep down disbursements, and tending the ship day and night. I am going to sea this time without many things which are actually necessary. Such as iron water tanks, plates for the forcastle rail, etc. etc. I am doing so to keep down expenses in Liverpool, and hope my disbursements sheet will prove satisfactory to all the owners.<sup>28</sup>

Commercial contacts with Liverpool became particularly important to the Morans as they gradually began to expand their maritime interests after 1850 to capitalize on the profits that could be made in the international carrying trade. By mid-century shipping interests on the Mersey had displaced those of the Clyde as the principal buyers of New Brunswick vessels.<sup>29</sup> At the same time, Liverpool was emerging as the prime commercial entrepôt for overseas trade with the Americas, Africa, the Far East, and Australia.<sup>30</sup> In 1850 the Morans' agents in Liverpool were David Cannon and Sons, the largest importers of timber into that city.<sup>31</sup> Many of the Saint John shipping interests were dealing with this firm as well.<sup>32</sup> The Liverpool-based companies played a crucial role in the success of Canadian merchant shipping. These business partners had to be dependable and trustworthy. They were expected to follow carefully the movement of goods between markets by sea and to secure profitable freights for these goods. They had to be knowledgeable in many different commodity markets, to be aware of demand and supply, and to be able to forecast markets months in advance.<sup>33</sup>

During these years a number of prominent New Brunswick shipping families established themselves in Liverpool through the relocation of one or more of their members in that city. Richard Wright, who with his brother William had become Saint John's leading shipbuilder,<sup>34</sup> moved to Liverpool to set up the Wright Fleet; so too did Thomas and Henry Vaughan from St. Martins, who shifted to the Mersey to manage family interests.<sup>35</sup> This act of relocation coincided with a period of accelerated



shipbuilding activity in New Brunswick. This "boom period" offered great financial rewards for those engaged in the maritime industries. Many decided to take advantage of the opportunities by building more and larger vessels, and as noted above, by establishing closer links with Liverpool.<sup>36</sup>

Robert and James H. Moran were both familiar with the shipping establishment of Liverpool through their voyages to, and commercial dealings with, that city. Robert in particular must have developed close connections on the Mersey in his lengthy career as a master mariner, having taken family vessels into Liverpool harbour on hundreds of occasions over a twenty-three year period. The Liverpool-Saint John connection was further cemented in 1852 with the establishment of a packet line, which operated a regular service between the two ports in both goods and passengers.<sup>37</sup> Robert Moran was making frequent trips to Liverpool at this time as captain of one of the packets, the *Imperial*, a 1279-ton Saint John built ship.<sup>38</sup> Accordingly, it is not surprising that in 1852 Robert took up permanent residence in Liverpool to attend personally to family business interests there. Five years later a Liverpool merchant, John Houghton, acquired eleven shares in the 856-ton Moran ship *Ocean Wave*, and in 1859 Robert Galloway of Liverpool purchased eight shares in the Moran's 1366-ton ship *Merrie Monarch*. This appears to be the first formal business contact between Robert Moran and Robert Galloway.<sup>39</sup> Moran Galloway and Company was formed soon afterward with Robert Moran as senior partner in the firm. A family bond solidified this business relationship, for Galloway had married one of Robert Moran's daughters.<sup>40</sup> Over the next twenty-five years this company directed the worldwide operations of the Moran Fleet.<sup>41</sup> While setting up the firm during his initial years in Liverpool, Robert continued as a master mariner. For example, in June of 1857 he commanded the 1051-ton ship *Stamford*, built and owned by friends and relatives in St. Martins, from Saint John to Liverpool with a cargo of lumber.<sup>42</sup> After 1860 Robert Moran and Robert Galloway invested more or less equally with James H. Moran in each of the new vessels launched in New Brunswick and added to the fleet. Although James H. never relinquished control over the fleet, and always maintained a central position in the family business, Moran and Galloway, because of their location at the centre of the nineteenth century shipping world, acted as managing owners of the fleet beginning in 1860.

Close kinship ties in commercial dealings between North America and England were certainly not new. They originated with the founding Puritan generation in seventeenth century Massachusetts and continued in various forms until the boom years of the nineteenth century, when many families in the Maritime Colonies of British North America perpetuated the tradition.<sup>43</sup> The extension of family interests to the Mersey was a significant development in the Moran story. It was a well-planned family decision which was expected to have practical advantages for the expansion of the family business. It was a decision motivated by the exigencies and the challenge of the international carrying trade and demonstrated a recognition of the opportunities for financial gain during the prosperous shipping years of the 1850's and the early 1860's. The extension also demonstrated the family's willingness to expand its operations through personal business dealings at the focal point of world shipping.



The decade of the 1850's was therefore a turning point for the Morans. One brother moved to Liverpool to pursue family interests, while at home in St. Martins the other brother assumed direction of the family shipyard from his father, as the Moran fleet began to take shape through the increased construction of more and larger vessels. That both brothers had high expectations for their business is beyond doubt. Their ambitions are reflected in the remarkable growth of the fleet. Slowly at first and then with increasing rapidity, new vessels were built to assume their role in an expanding business.<sup>44</sup> Despite the dual focus of the family operations, St. Martins remained the principal base of activity for some time to come, not only for reasons of family sentiment and association but also because until 1874 it remained the main source of new vessels, and therefore an essential link in the desire for commercial growth and profit. Nevertheless, as the years passed the Liverpool agency played an increasingly active role in the business, both in the management of the fleet and in purchasing outfittings from British suppliers for newly constructed vessels in New Brunswick.<sup>45</sup>

By mid-century, in addition to father and sons, a well constructed kinship network had been established which insured certain commercial advantages to the Morans. The sociologist William Goode has pointed out that "in the early stages of industrial transition, a family that commands an effective kinship structure can often forge ahead of families trying to rise on their own."<sup>46</sup> In the case of the Morans, this phenomenon of a business partnership of kinfolk including blood ties in all directions was accomplished in a noteworthy manner. With the exception of the two sons, Robert and James H., the remainder of the third Moran generation consisted of daughters. In all a total of eight children lived to adulthood. The adult lives of this generation coincided with a period of aggressive expansion in the maritime world. By 1850 their ages ranged from twenty-six to thirty-seven. The daughters could provide much needed domestic and emotional support to the family, but they could not build or sail wooden ships. The solution to this dilemma, and the method used to enable the family to realize commercial success, was for the daughters to marry into local shipping families; that is, to marry a man who might not necessarily bring a great deal of material wealth into the marriage, but would bring much needed occupational skills into the family circle. Rather amazingly by modern standards, each of the six daughters in turn took a husband who immediately became an integral part of the family business.<sup>47</sup>

Margaret married Allan McLean, the son of one of the Loyalist settlers and a master mariner. He acted as a captain and/or part owner of Moran vessels for at least twenty-five years, and was appointed Shipping Master for the port of Saint John in 1855. Jane married William Vail, who was Squire Moran's shipyard foreman between 1830 and 1855 and owned shares in the vessels he built. (His sister, Mary Vail, married Robert Moran in 1829 to further link the two St. Martins families.) Mary Ann married Thomas Vaughan, a member of the other most prominent local family, who helped build and operate the Vaughan fleet and establish his family's shipping agency in Liverpool in the 1850's. Hannah married Henry Vaughan, a brother of Thomas, and both couples moved to Liverpool to manage Vaughan shipping interests there. These two marriages effectively cemented the bonds between the two families on either side of the Atlantic, a connection



that proved immensely useful for both. (Later, as if to maintain the affiliation, William Moran, of the fourth generation, in 1870 married Georgina Vaughan, the niece of both Thomas and Henry Vaughan.) Louise married George Marsters, master mariner, who sailed for the Morans and owned shares in their vessels for at least twenty years. In 1864 he was appointed to the influential position of inspector in Saint John for the marine insurance firm of French Lloyds, a post he held for about a decade. To conclude the third generation marriages, Charlotte married Benjamin Wishart, master mariner, who sailed and owned shares in Moran vessels for at least thirty-five years.<sup>48</sup> This record of marriage for purposes of creating beneficial links with other maritime families included the fourth generation as well. Of the four children of this generation born before 1860, three married into families with maritime connections.<sup>49</sup>

The residential proximity of family members in St. Martins illustrates the dimensions of this kinship relationship. The Moran family home was located within five hundred yards of the shipyard. Directly across the street was the home of Captain Marsters and his wife; a few houses down the street was the residence of Captain and Mrs. Wishart. Other members of the family, as well as the various Vaughan residences, were located within half a mile of the Moran shipyard. In a real sense the shipyard was the focus of family interaction, both social and economic.

There were obvious economic advantages in such a family structure for profitable participation in maritime enterprise. This grouping of Moran relatives, fathers, mothers, sons, daughters, uncles, sons-in-law, nephews and cousins, as builders, captains, seamen, merchants, ships' agents, and part owners, provided the means to amass the necessary experience, craftsmanship and capital for the expansion of the industry in St. Martins and on world trade routes. The ability to trust others in distant ports with vital family business, without communication over long periods of time, was another advantage of having relatives as shipping partners. So long as family solidarity was intact, each member had a mutual interest in the family business, both in terms of financial opportunities and the maintenance among relatives of such non-material elements as trust, reputation and business acumen.<sup>50</sup>

No consideration of family members interacting as a social and economic unit can ignore the fundamental position of the women in the group context. The activities of men are typically the center of attention in a shipbuilding setting, and little tangible documentation is available to illuminate the role of wives and mothers in the circumstances surrounding maritime enterprise. Nevertheless, the family was the basic source of maritime enterprise in St. Martins, and as active members of this unit, women should not be overlooked. Some tentative observations are, therefore, in order.

In St. Martins oral tradition has perpetuated the story of Rachel Vaughan's influence on her husband David, both of whom were contemporaries of James Moran in the difficult initial years of the settlement. Rachael's energy and determination complemented her confidence in her husband's first uncertain attempts at shipbuilding at Vaughan Creek. Evidence of this is the fact that in 1803 he launched a seventy-eight ton schooner named, quite appropriately, the *Rachael*. It not only marked the starting point



of great maritime careers for its builder and his descendents but also indicated that Rachael's advice, "Go on, David, and build the vessels for this is the way to make money," was important to him.<sup>51</sup> As the years passed Rachael continued to play a leading role in the Vaughan's business, directing her sons to carry on what she and her husband had begun. This simple anecdote has been transformed by constant repetition over generations into a folk story of considerable symbolic value for St. Martins. Following Rachael Vaughan's example, the women of the village not only took an active interest in the maritime industries but also, perhaps most importantly, fashioned a home environment whose focus was toward the sea. Their central purpose was to develop in their children a strong aptitude and a deep-rooted desire to participate in maritime activity. Wives and mothers effectively reinforced and thus perpetuated the sensibilities of a maritime life-style by creating a sense of solidarity and purpose in the home. Accordingly, sons were encouraged to follow their fathers, and to build and sail wooden ships.

It is difficult to determine the extent to which romantic attachment was a factor in mate selection. The amazing record of marriages in the Moran family, where the daughters consistently married into other families with maritime connections, would suggest that this phenomenon was more than coincidental, and that some degree of "control" was exerted by parents interested in the perpetuation of family interests. Bernard Bailyn has shown the high extent of intermarriage among merchant families in seventeenth century New England.<sup>52</sup> In this period, eligibility for marriage was restricted by parents, who normally arranged marital links between families for mutual economic advantage. The families of high social rank who had most to fear from the disruptive effects of love therefore took special steps in controlling it. Yet by the nineteenth century there had been a significant change in values concerning marriage, and young people normally had much more freedom of their choices.<sup>53</sup> Indeed, in the case of the Morans and other prominent St. Martins families who often sent their children to school in Europe or the United States, opportunities must have existed for these young people to marry into other families with no direct maritime interests. For instance, Arville Moran studied English, Classics and French in Newton, Massachusetts in 1877; her sister Maggie studied music in Europe during the same period, and brother William was training to become a master mariner in Liverpool in the mid-1860's.<sup>54</sup> Many outside experiences were clearly the norm during the impressionable courtship years when St. Martins youth were away from their home and families. But during the decades of prosperous maritime activity in the village, the young people invariably married within the village, or married into other successful shipping families, as when in 1846 Charlotte Moran married Benjamin Wishart, son of John Wishart, a prominent Saint John merchant and shipowner.

It appears, therefore, that although the sons and daughters of St. Martins shipbuilders potentially may have had some degree of freedom in choosing their spouses, the successful socialization process and the resulting family solidarity had a dominant influence in this important area. Formal marriage arrangements between parents likely did not occur, however, but parents were fairly assured of beneficial interfamilial contacts through marriage because of the strength of the family unit and their success in



imbuing in their children both maritime values and a sense of responsibility to the family.

No specific evidence relating to courtship and mate selection in St. Martins is available, but the observations of foreign travellers in the United States relevant to this theme tend to substantiate the hypothesis presented above. St. Martins was clearly not in the hinterland. With the continual exposure its people had to the centers of world commerce, particularly with the United States through coastal trade and other business links, generalized nineteenth century family values in both places were not dissimilar. In 1842 one observer wrote:

A very remarkable custom...gives girls the freedom to choose a husband according to their fancy; practice does not permit either mother or father to interfere in this important matter.<sup>55</sup>

While romantic love may have directed the selection of a husband or wife, there is definite evidence that in some cases family obligations, business or otherwise, effectively influenced the choice of a mate. The comment that follows was written in 1867:

Love appears to be regarded rather as an affair of judgement, than of the heart; its expression seems to spring from a sense of duty, rather than from a sentiment of feeling.<sup>56</sup>

The influential role of women in the context of the family, and the importance to St. Martins families of beneficial marriage ties, is substantiated by examples of remarriage soon after the death of a wife. In both the second and third Moran generations, widowers took second wives soon after the passing of a first spouse. James Moran and James H. Moran both formalized ties with other local shipping families by marrying Lydia and Hannah Cochrane respectively.<sup>57</sup> Clearly, the wife was valued for her essential supportive role in domestic, business and community matters. The functioning of the shipbuilding family would have proved very difficult indeed without the support of a wife and mother. Recent research into achievement motivation in boys leads to the conclusion that the highly ambitious son is most likely to come from a family environment where the mother has considerable influence and maintains high expectations for her sons.<sup>58</sup> The notable commercial success of the third generation Morans, Robert and James H., tends to support such research. Their lofty aspirations and achievements in maritime enterprise undoubtedly stemmed in part from their psycho-social experiences at home.

An extension of this all-important home environment was the training young sons received in the various skills required to pursue a maritime career and thus enter the family business. Mention has already been made of the practical education Robert and James H. received growing up in the Moran shipyard, later working side by side with their father and sailing aboard family vessels. The educational career of William Moran serves to illustrate the learning experiences characteristic of his generation in St. Martins. He received his formal education in St. Martins and at the Sackville Academy. At age fourteen he travelled to Liverpool to be taken aboard H.M. School Frigate *Conway*, where he trained for three years, graduating with distinction in December of 1865.<sup>59</sup> Early in the new year he was signed aboard the 1305-ton Moran ship *Glee Maiden* as third



mate. While in port at Melbourne the same year, he wrote a lengthy letter to his father in St. Martins expressing the newly-acquired knowledge and pride of a young mariner. Noting that his new position as third mate "is a very responsible position for a person so young as I am," he continued by describing his three years aboard the *Conway* and mentioned his contemporaries from St. Martins, James Wishart and Gustavus Vaughan, who had also trained on her. He then admitted to his father that

I have had one thing in view these last three years, this is to excell all my predecessors on the *Conway* and I flatter myself that I am in a fair way of doing so, although, it can't be said that I have had any better chance than they have.<sup>60</sup>

His eagerness for a maritime career was, however, tempered somewhat by sentiments of homesickness:

I have waited long and anxiously in hopes of hearing from home but I have had no letters. . . I should like a month or two at home after being absent for so long. But as long as I know you are all well and happy at home, I can be happy anywhere.<sup>61</sup>

William was looking forward to sailing on one of the newly-built Moran vessels. This would give him an opportunity to become more actively involved in the family business after his apprenticeship at sea. He confided to his father that "If I am spared to get back of this voyage I should like to take a trip home and join one of the new ships."<sup>62</sup>

Young William's new career was clearly his abiding preoccupation. After years of dreaming about the life of a mariner it had finally become reality; his new found responsibility and recently acquired technical knowledge must have provided him with much satisfaction. Much as a son today would relate newly discovered technical knowledge to his father, William took this opportunity to let his father know that he had definite opinions about how a ship should be operated and, beyond that, how certain structural modifications would improve the vessel's serviceability:

The *Glee Maiden* is a very fine ship, but she was loaded too deep leaving Liverpool. The fastest she goes is 11 knots, and that's very seldom. If I had anything to do with a ship I would never have deck houses on her. A full poop and top gallant forcastle for the men is preferable. In fact, I would prefer a ship with a flush deck forward and aft. I have seen enough of deck houses this voyage to put in against them. They can never be kept dry inside, they work so much when the ship is rolling about. A ship with flush deck, pitch pine top mast, pine lower and top sail yards and she will pay herself double for these by durability. Spruce spars will split all to pieces.<sup>63</sup>

This letter is very revealing. It portrays the confidence and anticipation so characteristic of a young mariner of his prosperous and energetic seafaring background. It also demonstrates his commitment to a maritime career, as well as his inclination to incorporate adaptations and innovations into ship technology to improve performance and profitability. Not only does it express William's eagerness to assume his role in the



family business, but it also confirms his close emotional attachment to his family and his home. In this sense his shared loyalty to family and community suggests an intimate identification with both, a fusing of the two, based on his early and formative experiences in the village. At age eighteen, in 1867, he formalized his ties to the family business by purchasing four shares in the new 816-ton ship *Slieve Bloom*.<sup>64</sup>

Possibly the most compelling expression of the family's belief in the idea of maritime enterprise can be seen in the act of travelling together over extended periods aboard ship. It was not uncommon for ship captains to sail the trade routes of the world with their wives and young families.<sup>65</sup> William Moran married Georgina Vaughan in January of 1870, and they immediately went to sea on a wedding voyage that took them to Antwerp, where they had matching oval wedding portraits painted to mark the occasion.<sup>66</sup> Three years later, William, as commander of the 987-ton ship *Crown Prince*, sailed from Saint John with his wife and young son, James, on a voyage that took them in turn to Liverpool, Boston, Quebec, Glasgow, Philadelphia, London, Boston and Liverpool.<sup>67</sup> Such a voyage was not the exception but the rule for many maritime families throughout the period.<sup>68</sup> That life at sea was understood and enjoyed by these people, that it was an activity the whole family could and did share, suggests the depth of attachment between the families and the sea – a relationship that was encouraged and supported by an extended kinship network.

The extensive interrelationships, marital, business and social, between the Morans and the Vaughans has already been alluded to in passing. This association now requires further elaboration to clarify the implications of such familial ties for each group and for St. Martins itself. It is generally conceded that of the dozens of St. Martins families connected with shipping these two achieved the highest degree of success in their respective maritime ventures.<sup>69</sup> Much of what has been said here of the Moran family applies with equal validity to the Vaughans. They too show a high degree of family involvement in maritime enterprise over four generations. Indeed, of the St. Martins families the Vaughans had the largest number of participants during the nineteenth century. Esther Clark Wright observes that of the hundreds of British and Canadian shipping families, only the Scotts of Greenock, whose shipbuilding stretched over two hundred years, exhibited more kinship involvement than the Vaughans.<sup>70</sup> David and Rachel Vaughan's family consisted of twelve children, and the eight sons each became very active in business as builders, masters and managing owners, some relocating in Saint John, St. Stephen or Liverpool. As noted earlier two of the sons of this generation, Thomas and Henry, married Moran daughters. These marriages formalized family ties that had begun early in the century when James Moran had rented space in David Vaughan's shipyard to build the *Waterloo*.

The Morans and the Vaughans both had stores in the village to service their respective shipyard workers. They frequently supplied lumber for each other's yard, and most likely shared particular skills, ideas and materials in their shipbuilding businesses. Both families were prominent Baptists and by virtue of their prosperity and status in the village took leading parts in community affairs. Interestingly, in spite of, or perhaps because of, their close associations, there is a tradition of family rivalry that must have



inevitably developed over the years. As each family launched their vessels, a healthy competitive spirit no doubt resulted in comparisons of the other's design and building skills.<sup>71</sup>

This family alliance had so evolved over a period of years that by the 1870's it reflected the increasingly sophisticated nature of the maritime world. The relationship was characteristic of shipping communities since it was in the interests of both groups to extend sources of capital and to gain access to a larger supply of material resources and trusted personnel. To what extent the marriage of two Moran sisters to the two Vaughan brothers was the result of a calculated design on the part of their parents will never be known. That the extended kinship network which resulted from these two nuptials proved immensely beneficial to both families is substantiated by the fact that the magnitude and value of their combined shipping interests would have ranked among the most extensive shipbuilding and shipping organizations within the nineteenth century Canadian maritime establishment.

Nevertheless, despite the relative importance of these interrelated shipping firms on a regional basis, their essential characteristics, even as late as the third quarter of the nineteenth century, were those of a family-based, handicraft operation. Here is the most compelling theme in the context of maritime enterprise in St. Martins. The processes of production and management of wooden ships were arranged along family lines rather than controlled communally or through a sophisticated wage system. This apparently simple organizational fact was the central determinant of the nature of the industry. Not only did the family give symbolic meaning and emotional significance to the related activities of maritime enterprise, but the family's own character was also in large part shaped by the requirements of the industry. Thus this vital reciprocal relationship between the family and the industry is the key to an authentic understanding of entrepreneurship in St. Martins. It shaped and measured the productive activities, organizational structures and social values of the "salt water" men and women of this Bay of Fundy village.

The social and economic impact of industrialization began in England late in the eighteenth century and was well underway in North America and Western Europe by 1850. Fundamental to this movement was the application of machines to processes of production. Mechanization had important implications for the growth of factories, systems of organizing labour, the accumulation of capital and capital equipment, and the development of managerial organization. The result was rapidly increased rates of production and a transition from a localized to a progressively centralized, urban economy. Various aspects of the industrial process occurred at different rates in different industries. The textile, mining, metallurgy and chemical industries, for instance, wholeheartedly embraced the new order. Change was less rapid, however, in certain older forms of production, such as agriculture and the industries involving the artisanal trades like house construction and wooden shipbuilding.<sup>72</sup>

The skills represented in the St. Martins' shipyards were handicraft skills. The shipyards employed manual labour, requiring few specialized occupations. Large amounts of capital equipment were uncommon. The predominant characteristic was their



smallness of scale and their localized nature. The non-union labour force worked side by side with their employers. Both employees and employers were drawn from local families. Thus as late as the third quarter of the nineteenth century there existed little separation between the home and the workplace in St. Martins. The industry clearly represented an early stage of capitalism.<sup>73</sup>

Wooden shipbuilding in New Brunswick and the region defied the Industrial Revolution because it was enjoying considerable success in spite of industrialism. Why tamper with a thriving enterprise, especially an enterprise so faithfully in tune with the sensibilities and capacities of the people? It reflected their traditions and it represented the *status quo*.

The industry, however, did not stand still. Although its organization was relatively straightforward, its success nevertheless depended on the entrepreneurial abilities of the builder-owner-capitalist, roles usually filled by the same individual. The most innovative were consistently striving to increase the quality and value of their vessels by employing new methods of design and construction and by attempting to secure new markets and profitable business contacts at home and abroad. Yet even as late as the 1870's the entrepreneurial functions were still conducted within the traditional framework of a family-based industry. It was possible to modernize aspects of wooden ship construction and management without revolutionizing its essentially handicraft nature.

It is noteworthy that even though the processes of economic specialization and structural change were accelerating in North America after 1850 due to industrialization, the family persisted as the fundamental unit of social organization along the shores of Atlantic Canada until well into the twentieth century. This is a social phenomenon of some importance because it suggests that alterations in the overall structure of society brought about by an evolving economic system do not either inevitably or immediately result in significant modifications of smaller units of that society. Social and cultural change is not always predictable. It can proceed at various levels and at various speeds. Older forms of social organization can persist, and even flourish, within new economic structures. Such a time lag typified the organizational and productive activities associated with maritime enterprise in St. Martins. The emphasis on family identity shaped the character and often confined the scope of entrepreneurial activity and capitalist enterprise.

In the case of the Morans it is not clear to what extent they consciously attempted modernization of their shipbuilding on the one hand, or on the other were caught up by the process and were forced to change aspects of their operation. The reality was likely a combination of both; that is, calculated innovation and necessary adaptation over time. The move to Saint John in 1874, for instance, while involving a family decision to relocate in a larger centre, nevertheless was a change forced upon the family by external circumstances. With the transfer to Saint John, aspects of modernization occurred as a consequence of the more advanced industrial organization of the larger urban centre. Almost overnight the home and workplace became separate. James H. Moran did not work in the shipyard himself but rather hired a shipbuilder-foreman to operate the yard. Non-relatives in Saint John and Liverpool became shareholders in the business, and the



all-embracing family orientation began to give way as the new shareholders had a greater input into the decision-making process. The business was therefore more impersonal, and the smallness of scale characteristic of St. Martins had been transformed into a series of more specialized functions. The ships were bigger, more technically advanced and more expensive. Hence, in just a few years, from 1872 to 1874, substantial modernization had taken place. But one fundamental factor remained unchanged. Wood continued as the essential building material. Accordingly all attempts made by the Morans to modernize their wooden shipbuilding enterprise can be seen as a gamble against industrial progress. Consciously or not they were wagering that the metal-hulled steamship would not be perfected for some time, thus leaving the wooden sailing vessel unchallenged on the long voyage, bulk cargo routes of ocean transport. With the prosperity of the early seventies the Morans understandably looked to the future with confidence and optimism. But by the end of the decade the wooden square rigger had no future. They had gambled and lost.

The time-lag the Morans had enjoyed for a generation allowed them to achieve considerable success with wooden sailing ships during an era of metal-hulled steamships. Yet by the decade of the 1880's their time had run out. A major emotional, organizational and financial transformation was needed to enable the family to cope with the challenge of late nineteenth century industrialism. Consequently, for the Morans and many of their shipbuilding peers, the impact of external events was intensified by financial losses and deaths within the family.

The story concludes very quickly at this point: James H. died during the depression year of 1879 and Robert got out of the business the following year, retiring to a seaside estate in Southport, Lancashire. William continued as a master mariner for a few more years, returning to his home in St. Martins in 1884 to retire. The firm of Moran, Galloway and Company continued into the twentieth century, operating out of Liverpool under the direction of Robert B. Crowe, who had apprenticed under Robert Moran. William and some of his sisters retained shares in the wooden vessels, but by the mid-1880's these fell under the shadow of a growing number of British built metal-hulled ships that were added to the fleet. By this time control of the firm had completely shifted to Liverpool and was in the hands of British businessmen.<sup>74</sup>

In February 1878 Robert Moran wrote to his brother in Saint John. The following excerpt reflects the pessimism and disillusionment that was generally shared by the builders and owners of Canadian wooden ships at the end of an era:

With regard to the working of ships in all my experience I never knew things so bad. Freights to and from all parts low, and in most cases not sufficient to pay expenses. Unless some improvement takes place, it will be very difficult to work ships, especially wood ships — the rate of insurance is so much more, and less rate for freight, so that it cuts two ways on wood ships. The *Prince Rudolph* is now discharging and I do not know what to do with her unless we send her out to St. John in hopes she will make sufficient to pay her way.<sup>75</sup>



## NOTES

1. This paper was prepared in connection with research being carried out by the author into the story of family involvement in shipbuilding in St. Martins, N.B. It consists largely of notes compiled for the second chapter of a Masters Thesis presently being submitted to the History Department, University of New Brunswick.
2. The origin of the Indian name "Quaco" is uncertain. It has remained in common use among residents of St. Martins as a favorite second name since the period of initial settlement. Research notes, courtesy Quaco Historical Library Society, hereafter cited as Q.H.L.S.
3. Russell Harper, "St. Martins' Men Build a Ship in 1814," *The American Neptune*, XXI, No. 4 (October, 1961), 279.
4. Esther Clark Wright, *The Ships of St. Martins* (Saint John, 1974), 5.
5. *Ibid.*
6. An original copy of the 1796 grant is contained in the Moran papers, courtesy of Mrs. Arthur Moran, St. Martins.
7. *Ibid.*
8. Wright, 5-14.
9. *Ibid.*, 5.
10. Q.H.L.S. Notes.
11. Grace Tomkinson, "A Half-Deserted Village of New Brunswick," *Dalhousie Review*, XV (July, 1935), 221.
12. New Brunswick, Legislative Assembly, Fredericton, *Provincial Census*, 1824.
13. The grid-pattern street layout was a characteristic of such Loyalist settlements as St. Andrews, Saint John, Gagetown, St. Stephen and Fredericton.
14. Page Smith, *As a City Upon A Hill: The Town in American History* (New York, 1966), 38.
15. The Moran family was chosen from among the prominent St. Martins shipbuilding families because of the existence of a collection of family papers detailing their shipbuilding and shipowning activities over four generations. Throughout this study I shall refer to particular generations of the Moran family. The patriarchal heads of each generation are as follows: first generation, Mathias Moran, 1742-1827; second generation, James Moran, 1781-1860; third generation, James H. Moran, 1816-1879; fourth generation, William Moran, 1849-1914. The Moran collection of shipping papers includes a large selection of original documents such as business correspondence, ships accounts, shipbuilding accounts, ship registries, miscellaneous documentation on domestic and community affairs and some genealogical data on the family. This collection is hereafter cited as M.C. This material was made available to the author courtesy of Mrs. Arthur Moran, St. Martins.
16. See Philip Aries, *Centuries of Childhood: A Social History of Family Life* (New York, 1962); John Demos, *A Little Commonwealth: Family Life in Plymouth Colony* (New York, 1970); Philip J. Greven Jr., *Four Generations: Population, Land and Family in Colonial Andover, Massachusetts* (Ithaca, N.Y., 1970); and Edmund S. Morgan, *The Puritan Family: Religious and Domestic Relations in Seventeenth Century New England* (New York, 1966).
17. The working definition of family as used in this study includes both the nuclear family and the extended kinship relations. The latter, though not necessarily sharing the same household with the nuclear family, were family members by marriage and were important participants in the family group as a functioning business unit. The term community used in reference to St. Martins refers to an area where the population regularly turned to a common center for the satisfaction of all or a major part of its needs. It comprised an area in which the resident population was integrated with regard to its daily requirements, whether contacts be direct or indirect.
18. Russell Harper, "St. Martins Men Build a Ship in 1814," *The American Neptune*, XXI (October, 1961), 281.



19. The writer has documented seventy-seven vessels as built and/or owned by the Morans between 1805 and 1879. This documentation process has utilized information from various sources. The Moran Collection courtesy of Mrs. Arthur Moran, St. Martins; the P.A.C. collection of nineteenth century New Brunswick shipping registers, courtesy the New Brunswick Museum Archives; and Esther Clark Wright's two publications: *The Ships of St. Martins*, and *Saint John Ships and Their Builders*. The data thus accumulated on each Moran vessel will hereafter be referred to as Author's File on Moran Vessels.
20. Esther Clark Wright, *Saint John Ships and Their Builders* (Saint John, 1976), 26-29.
21. John G.B. Hutchins, *The American Maritime Industries and Public Policy, 1789-1914* (Cambridge, Massachusetts, 1941), 104-105.
22. Wright, *Saint John Ships and Their Builders*, 11.
23. Author's File on Moran Vessels.
24. Wright, *Saint John Ships and Their Builders*, 132.
25. Author's File on Moran Vessels.
26. For example, in 1847 father and sons worked together on the construction of the 859-ton ship *William Vail*. M.C. Shipbuilding accounts of the *William Vail*.
27. For a useful discussion of the implications of relatives as partners in a shipbuilding, shipowning context, see Bernard Farber, *Guardians of Virtue: Salem Families in 1800* (New York, 1972), 70-116.
28. William Moran to James H. Moran, 10 August 1871, M.C.
29. Wright, *Saint John Ships and Their Builders*, 16.
30. *Ibid.*, 16-17.
31. Ships Accounts, 1850, M.C.
32. Richard Rice, "The Wrights of Saint John: A Study in Shipowning in the Maritimes, 1835-1855," in David S. MacMillan (ed.), *Canadian Business History* (Toronto, 1972), 322-323.
33. Hutchins, 239.
34. Rice, 317.
35. Wright, *Saint John Ships and Their Builders*, 24.
36. The international circumstances that created the accelerated demand for wooden ships in the 1850's, and the significance of the Liverpool connection for New Brunswick shipbuilders is considered in more detail in Chapter Four of my thesis.
37. Wright, *Saint John Ships and Their Builders*, 21-23.
38. *Ibid.*
39. Author's File on Moran Vessels.
40. William Moran's notes on the history of the family, M.C.
41. Author's File on Moran Vessels.
42. Frederick M. Cochrane, "History of St. Martins N.B. Built Ships," unpublished manuscript, courtesy Q.H.L.S.
43. Bernard Bailyn, *New England Merchants in the Seventeenth Century* (Cambridge, Massachusetts, 1955), 87-91.
44. For a more detailed discussion of the growth of the Moran Fleet between 1850 and 1880, see Chapter Four of my thesis.
45. Anchors, chains, wire rigging, blocks, and iron and copper fastenings were shipped, usually aboard a Moran vessel, to Saint John. The newly constructed hull was towed from St. Martins to Saint John where it was outfitted. These materials were shipped from Britain duty free, giving the Morans an advantage over their American counterparts, many of whom obtained their outfits from Britain only after paying a tax. Author's File on Moran Vessels; Hutchins, 300.



46. William J. Goode, *The Family* (Englewood Cliffs, New Jersey, 1964), 59.
47. Notes on the genealogy of the Moran Family, M.C. Marriage Registries for the Moran family, 1810-1887, courtesy Provincial Archives of New Brunswick.
48. Author's File on Moran Vessels. Notes on the genealogy of the Moran family, M.C.
49. *Ibid.*
50. Farber, 78.
51. Wright, *The Ships of St. Martins*, 7.
52. Bailyn, 135-137.
53. Frank F. Furstenberg Jr., "Industrialization and The American Family: A Look Backward," *American Sociological Review*, XXXI, No. 3 (1966), 329-331.
54. Notes on the history of the Moran family, M.C.
55. Furstenberg, 327.
56. *Ibid.*, 330.
57. Notes on the genealogy of the Moran family, M.C. James H. Moran's second wife was the daughter of Captain George Cochrane, but her mother's family name was Smith. Her uncle, Henry Smith, became an integral member of the business acting as the Moran's shipyard foreman between 1862 and 1874, the most active building years. Other members of the Smith family acted as masters of Moran vessels.
58. Goode, 77.
59. Notes on the history of the Moran family, M.C.
60. William Moran to James H. Moran, 20 June 1866, M.C.
61. *Ibid.*
62. *Ibid.*
63. *Ibid.*
64. Author's File on Moran Vessels.
65. Charles Armour and Thomas Lackey, *Sailing Ships of the Maritimes* (Toronto, 1975), 176-177.
66. Author's File on Moran Vessels. The two large, oval-framed oil portraits of William Moran and his bride Georgina were signed by the artist, A. Vander Barcht, Antwerp, 1870.
67. Author's File on Moran Vessels.
68. Robert Carse, *The Twilight of Sailing Ships* (New York, 1965), 25-33.
69. This fact is confirmed in the oral tradition of the village, and by a survey of the St. Martins Assessment Records of the period. These records indicate that in terms of material wealth, the Morans and Vaughans had achieved a greater degree of commercial success than the other St. Martins families. Parish of St. Martins Assessment Records, 1864-1884, Courtesy N.B.M.
70. Wright, *The Ships of St. Martins*, 7.
71. Chapter Four of my thesis outlines the interrelationships the two families established in Liverpool and indicates the international proportions of their combined business interests.
72. Joseph Dunner (ed.), *Handbook of World History: Concepts and Issues* (New York, 1967), 438-440.
73. F.G. Fassett (ed.), *The Shipbuilding Business in the United States of America* (New York, 1948), 35.
74. Notes on the history of the family, M.C.
75. Robert Moran to James H. Moran, 13 February 1878, M.C.



6. CAPITAL ACCUMULATION AND  
INDUSTRIAL DEVELOPMENT IN  
NINETEENTH CENTURY NEW  
BRUNSWICK: SOME PRELIMINARY  
COMMENTS

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# CAPITAL ACCUMULATION AND INDUSTRIAL DEVELOPMENT IN NINETEENTH CENTURY NEW BRUNSWICK: SOME PRELIMINARY COMMENTS

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## THE PROBLEM

In the last five years considerable attention has been focused upon the history of industrial underdevelopment and the resulting inequality of opportunity in Atlantic vis-a-vis Central Canada. The best historical analysis of the late nineteenth and early twentieth century efforts to build an industrial society in Atlantic Canada is by T.W. Acheson.<sup>1</sup> Acheson's work has more recently been supplemented by the efforts of R.T. Naylor and J. Baker among others.<sup>2</sup> Because of these authors it has become widely known that during the final quarter of the last century considerable progress was made in developing modern, competitive industrial enterprises in the region. So successful were these early attempts that between 1880 and 1890 Nova Scotia had the fastest rate of industrial development in the entire Dominion, and the Maritime region had a more rapid rate than that of Central Canada (the region increased its share of industrial establishments from 20.3% to 24.5% of the Canadian total). Moreover, this growth was well-represented in the most modern industrial sectors (iron and steel, for example). By 1900 a process of de-industrialization had begun. This de-industrialization was accompanied (or caused, in the arguments of some) by the transfer of ownership of regional firms to interests in Central Canada, notably to capitalists in Montreal.

While there is agreement on the initial success and subsequent failure of industrial development for the region, there is some disagreement as to the priority of different factors that might account for the decline. Acheson attributes the deterioration to a number of circumstances. These include: first, the failure of the Halifax business class to develop a regional metropolis to control and co-ordinate the scattered, community centred industrial firms that did develop; second, a problem of entrepreneurial succession in that the sons of many of the successful industrialists did not follow them into the family business; third, the excess capacity and rapid business cycle swings of the period which led to considerable dumping by foreign firms of excess commodities into the regions' markets; fourth, the dependency of the regions' manufacturers upon Montreal agents to sell their goods outside the Maritime area; fifth, the decay of the traditional export trade with the West Indies which generated surplus capital needed to cover deficits in the industrial trade with Central Canada; and sixth, the retention of certain market attitudes with respect to operating firms, such as depending upon borrowed capital rather than stock offerings



to meet daily operating cost requirements, which led to high debt and chronic liquidity crises at the level of the firm.

Naylor and Baker locate the major explanation in the sphere of capital accumulation and the take-over of local financial institutions by Central Canadian banks, thereby draining off from local industrial needs whatever capital was accumulated. Naylor adds a further factor to his explanation by stressing the importance of understanding the distinction between industrial and merchant capital and how this affected the availability of capital for industrial development.

In the remainder of this paper we shall provide an initial assessment of the adequacy of the explanations offered above for the rise and failure of industrial development by focusing upon Southern New Brunswick in this period. Before examining this region, however, it is useful to provide some account of the Naylor argument. This is necessary because it claims to be the most theoretical of the explanations. In our exposition of Naylor we have been guided by Macdonald's<sup>3</sup> fine theoretical critique of that thesis and have extracted what we consider to be the most basic elements.

## MERCHANT AND INDUSTRIAL CAPITAL

The distinction between commercial (merchant) and industrial capital has its most thorough exposition in Volume Three of *Capital* by Karl Marx. Each term refers to a particular system of production and capital accumulation said to exist at different points in societal development. The period characterized by merchant capital exists prior to one dominated by industrial capital and is a precondition for the emergence of the latter.

The merchant capitalist system featured monopoly trading charters given to a limited number of merchant companies. Wealth was generated from control over the distribution (circulation) of goods and services rather than from the production of commodities. Export trade by chartered companies with foreign countries and colonies was of a much greater volume than trade within the country. Capital accumulated in the overseas trade was invested in expanding that trade, was used to consume luxury goods, or was invested in improving one's social status through the purchase of land or title. Those not fortunate enough to participate in a chartered company might profit by successful speculation in currency exchange rates or commodity markets. Because of the large investments required and the high rates of loss through disaster and theft in international trade, ideologies of protectionism and monopoly preference were thought to be necessary.

As the volume of trade expanded, the organization of commodity production was altered to increase and to coordinate the amount of goods available for trade. The merchant, individually and through chartered companies, initiated and controlled this reorganization through the "putting-out" system or the manufactory. But in either case, little division of labour or new technology was introduced to the traditional production process.

Industrial capitalism was (and is) characterized by a quite different institutional configuration and supporting ideology. Its essential institutional features were (are) a very



fine division of labour and increasing technological sophistication which are combined in a factory setting, private ownership of the means of production, a fairly large number of industrial enterprises competing for markets, an integrated, non-directed market system where labour, capital, and raw materials are transformed into commodities, and a political system where effective control is exercised by the industrial capitalist class. The prevailing ideologies of this system legitimate economic growth, hard work, thrift, and the sanctity of the market as an allocator of economic and human resources.

The merchant capitalist does not disappear with the development of industrial capital. He does, however, become clearly subordinate to the industrial capitalist. Institutions and their ideological supports which nurtured merchant capitalism are obsolete – even an obstruction. Production for the market and the extension of that market to all corners of the world are the goals of the industrial capitalist.

How does industrial capitalism come about? It develops from the contradictions within merchant capitalism. As merchants extend trading boundaries and attempt to coordinate the production of commodities, a process is initiated which destroys the mercantile system and ushers in the industrial system. Marx has summarized this dialectical process most clearly:

it (commercial capital) develops the product into a commodity, partly by creating a market for it and partly by introducing new commodity equivalents, and supplying production with new raw and auxiliary materials, thereby opening new branches of production based from the first upon commerce, both as concerns production for the home and world market.

As soon as manufacture gains sufficient strength, and particularly large scale industry, it creates in its turn a market for itself, by capturing it through its commodities. At this point commerce becomes the servant of industrial production, for which continued expansion of the market becomes a vital necessity.<sup>4</sup>

It is now perhaps easier to see the thrust of Naylor's comments. For a variety of reasons, Naylor argues, Canada never progressed beyond a social system dominated by merchant capital (operating through the institution of the chartered bank). This means that little risk capital was (is) available to Canadian industrial entrepreneurs because the national chartered banks channeled accumulated capital into distributive ventures such as canals, railroads, and shipping. As population increased and the need to industrialize arose as a means of providing employment, foreign direct investment in the form of the familiar branch plant moved across the border to construct what manufacturing sector does exist. A sizeable amount of this foreign investment was also allocated to extractive industries so that Canadian natural resources could be moved to the industrial centres in other countries, fabricated into products there, and, in many instances, sold back across the border to Canadians.

Any attempt to assess the extent of merchant capital supremacy in Canadian society is complicated by the frontier status Canada enjoyed in a colonial system.



Canada's role in this system was as a supplier of raw materials and a consumer of manufactured products. The economic and political dependency associated with colonial status further circumscribed any options available to Canadian entrepreneurs. This was especially the case from 1783 to 1850 when trade consisted largely of the export of a single resource (fur, timber or fish, depending upon the year and the region) and the importation of most necessary commodities. There is no doubt that a type of dependent merchant capitalism developed in Canada to facilitate this trade. What is at issue is whether such a system was transformed into one more favourable to industrial development.

## DEPLETION OF NEW BRUNSWICK FRONTIER RESOURCES

The frontier-stage economy of New Brunswick was based on timber, shipbuilding, and, to a lesser extent, the West Indies carrying trade. A population of over 200,000 in the 1840s was largely scattered along the major timber rivers, such as the Miramichi, the Saint John and the Saint Croix, with the major mercantile population centred at Saint John (with a population of over 30,000 in the 1840s) and in a smaller cluster of communities in Charlotte County along the international border with the United States. One estimate is that over 80% of the New Brunswick population was dependent on timber during the twenty-five years after the Treaty of Vienna.<sup>5</sup> Domestic manufacture and even agriculture were consequently underdeveloped. Since "the merchant community of St. John... was anxious to import everything the province consumed as well as to export everything it produced,"<sup>6</sup> an apparently ideal situation for the dominance of merchant capital existed. However, this wealth was being accumulated in sectors with a limited capacity for growth.

The West Indies trade receded in importance after the Navigation Acts reopened the area to American shipping (1849). In the 1850s, the Maritimes (and primarily New Brunswick) held fourth place in the world in registered shipping tonnage,<sup>7</sup> but steamships began to be used extensively by the 1860s, and significant and continuous decline in the Maritime wooden shipbuilding sectors followed with the world depression which began in 1873.

As for timber, real depletion of sources outside the disputed territories as early as 1840<sup>8</sup> and important decline from the mid-sixties<sup>9</sup> have been noted. Substantial competition in Great Britain from Baltic wood sources began again in the late 1850s, after the abolition of colonial preferences.<sup>10</sup>

As a consequence, by the second half of the century merchant capital in New Brunswick faced a substantial need to diversify, and it began to do so — partly, as might be expected, by moving into railroads, but also by expanding industrial production, both extractive and manufacturing. To a degree local banks, established by the merchants, served as financial intermediaries,<sup>11</sup> but there was a great reliance on private investment from within the community. It is necessary to keep in mind the distinction in the New Brunswick timber trade between the international firms, based in England, who moved into New Brunswick after the decline of their Baltic operations (notably Gilmour, Pollok,



and Co. on the Miramichi, who kept a Saint John office for fifty years,<sup>12</sup> but who remained primarily oriented to international investment) and the regional firms, comprised of Loyalists or British immigrants, who built up a variety of economic, political, and personal commitments specific to New Brunswick.

## JOINT STOCK COMPANIES

The proliferation of joint stock companies after 1870 in Saint John shows their use as a means to organize a great number of activities – industrial, financial, mercantile and less obviously commercial community enterprises such as cemeteries and skating rinks. Indeed in Great Britain at the same time limited companies could be formed for any lawful purpose, and large numbers of local political clubs, tea and coffee Temperance taverns, and dozens of skating rinks were incorporated.<sup>13</sup>

In Saint John the same individuals appeared on the boards of directors of many different types of companies. One is certainly left with the impression from the composition of boards of directors that industrial enterprise was one of several acceptable channels for investment and entrepreneurship available to established merchants in the community. The number of the same individuals who also appeared as directors of community welfare organizations such as hospitals, orphanages and church groups and who become local and provincial politicians, suggests a strong interest on the part of many active businessmen in the community and the region.

It is the diversity of interests of individuals which is striking in this period. Merchants appeared on the boards of directors of most manufacturing or extractive Saint John industries, as the following scattered examples from several decades indicate. In 1871 the Saint John Manufacturing Company, a yarn factory (incorporated at \$40,000 in 1862) had a six-man board of directors including John Boyd, John Armstrong, and Thomas R. Jones, all wholesale dry goods merchants of the city, and James Robinson, a West Indies merchant. There is data from Britain indicating the importance of investment in many industries by relevant wholesalers up to a certain level of development.<sup>14</sup> Certainly this example does suggest some recognition by New Brunswick merchants before the establishment of the National Policy that the province need not “import everything it consumed” as it did in the earlier half of the century. In the same year, John Boyd’s partner, T.W. Daniel, participated on the board of the Victoria Coal Mining Company, with four other local merchants, and on the boards of the People’s Street Railway, the Saint John Rural Cemetery Company, the Chamber of Commerce, the Industrial School and the Diocesan Church Society. John Boyd (who later was a Senator and a Lieutenant-Governor) was on the board of the Saint John Savings Bank, the Saint John Gymnasium Company, the St. John Religious Tract Society, and the New Brunswick Auxiliary Bible Society. He was also treasurer of the Female Reform Society and the Saint John Protestant Orphan Asylum.

In 1880 the Albert Mining Company had a board of directors consisting of several members of the Gilbert family, shippers and timber merchants of the city, and one of the Schofield family, local bankers and merchants. The seven-man board of the Coldbrook



Rolling Mills included Thomas R. Jones (listed above), W.H. Thorne (wholesale and retail hardware family), and James Domville (West Indies merchant and local banker), who also was managing director of the rolling mills. The five-man board of the New Brunswick Paper Company included Dudne Breeze (wholesale liquor and grocery family), A. Everett (dry goods), M. Lindsay (wholesale grocer), and as president one of the city's most successful industrialists, James Harris (foundry and car works), a close personal friend of Dudne Breeze.<sup>15</sup>

In 1901 the six-man board of the Saint John Iron Works included John E. Moore (lumber), James Pender (nail manufacturer), W.H. Murray (lumber and also president of Pender's firm), H.D. Troop (old Saint John shipbuilding family), and Walter White, M.D. (from the extensive White merchant family and Troop's son-in-law). The board of the Portland Rolling Mills consisted of James Manchester (dry goods), D.J. Purdy (grocer), R.C. Elkin (ship broker), Thomas Bullock (oil merchant family), and Joseph Allison and James F. Robertson (Manchester's partners). The board of the Maritimes Casket and Woodworking Company included T.B. Robinson (insurance family), J.A. Likely (ship manager), Joseph Allison, James Robertson, and George Thompson (hardware family).<sup>16</sup>

## LOCAL COMMERCIAL NETWORKS

The recurrence of individuals or families together on boards of directors over several years suggests that financial support for a variety of community enterprises came from networks of local businessmen acting together under certain circumstances. The firm of Manchester, Robertson, and Allison apparently organized a considerable amount of community investment. The three met as clerks in the 1850s while working for the London House, a large wholesale dry goods firm operated by John Boyd and T.W. Daniel (discussed above). Later all three worked for Magee Brothers, another large dry goods firm in the city (the Magee brothers also became involved in community investments, e.g., the Victoria Hotel Company). Manchester, Robertson and Allison began their own dry goods business in 1866. By 1902, when the firm was incorporated, it had a capital stock worth \$800,000 and was described as the largest business house in the city by the Saint John Board of Trade.<sup>17</sup> Manchester was president of the Bank of New Brunswick, the Portland Rolling Mills, and the Maritime Nail Company. Robertson was vice-president of the York and Cornwall Cotton Mills and the Telegraph Publishing Company; he was also on the board of the Maritime Casket and Woodworking Company and the Maritime Nail Company. Allison was on the board of the rolling mills, the casket and woodworking company, and the Maritime Nail Company.

Manchester organized the purchase of Harris and Company (foundry and car works) and S.R. Foster and Son (nail factory), both major industrial employers in Saint John, consolidating them into the Portland Rolling Mills in 1896. He is also credited with helping to establish the Union Foundry, by purchasing another failing old family industry of the city.<sup>18</sup> Robertson, with George West Jones, a son of a prominent Saint John brewing and banking family, purchased in 1901 the other industrial showpiece of the city, J.H. Parks' cotton mills, keeping them out of the Central Canadian combine for



several more years, according to the press, because Robertson "did not want to see Saint John deprived of the mills."<sup>19</sup> In an earlier financial crisis for the cotton mills (1890-1892), Jones' father, Simeon Jones, and another local merchant, W.W. Turnbull, provided a \$200,000 mortgage to the mills which allowed Parks to pay off debts to Central Canadian and American creditors, and prevented sale of the mills to the Central Canadian combine.<sup>20</sup> Indeed, S. Jones and T.W. Daniel had provided one of several local loans to the mills ten years before that.<sup>21</sup>

Another commercial network seems to have centered around Dr. Walter W. White, John E. Moore and A.P. Barnhill. Dr. White, a son of a large Saint John merchant and lumber family and married into another, was a long-time director of the Bank of New Brunswick and later the Bank of Nova Scotia (which took over the New Brunswick bank in 1913). He was also a mayor of the city. His partner in V.S. White and Company, Moore, had been an employee of V.S. White (Walter's father) and had established his own lumber firm in 1890 by buying the Barnhill family mill. Alex P. Barnhill was a barrister and a nephew of Moore's mother-in-law (and grandson of the founder of the Barnhill family mill).

White and Moore organized the Saint John Iron Works in the 1890s to take over the failing Oscar White foundry, which had been established for Oscar White, an engineer, by V.S. White (Walter's father and Oscar's uncle) in 1885. The board of directors of the iron works in 1908 included White, Moore, Barnhill, James Pender (managing director of a large city nail factory), and W.H. Murray (president of Pender's firm and director of several other Saint John firms). Moore, Barnhill, Pender, and Murray appeared on the boards of many local companies through the next period. For example, in the 1900-1910 decade Barnhill appeared on the board of Pender's firm; with John E. Moore on the board of P. Nase and Son, a wholesale grocery firm; as secretary of the Telegraph Publishing Company, eventually with Moore; and on the board of the Maritime Nail Works as well. These last two included Robertson and Allison, indicating overlap in the interests of the two networks.

Of course more precise information is needed to indicate why particular investments were made and why certain investors acted together. Non-economic ties between investors and entrepreneurs must have been significant, but it would be a mistake to place exclusive emphasis upon such non-economic considerations as "community loyalty." A.P. Barnhill appeared for the Central Canadian creditors of the cotton mills in the 1890-1892 dispute. The American creditors were also represented by local lawyers. On the other hand, it is likely that investments were made which would not have been made in similar enterprises outside the community. Jones and Turnbull were ready to rescue the cotton mills on the condition that a local banker whom they trusted, George A. Schofield (a relative of the wife of one of Jones' sons as well as the father of that son's business partner), would control the finances of the mill. The community basis of investment is clear. The recurrence of the names of local families who accumulated capital in the frontier-stage sectors of New Brunswick on boards of directors of Saint John industries and other firms from the 1870s onward is evident.

Oliver Jones of Moncton exemplifies the diversifying capitalist in a slightly earlier



period.<sup>22</sup> He made money in shipbuilding and land speculation, then founded Moncton's Westmoreland Bank and sponsored a steam tannery and soap factory, with a capital of \$30,000 in 1861. Although a comparatively small enterprise, this was nevertheless the largest industrial employer in the city in 1861. Lists of stockholders for two major Moncton enterprises exist – the Moncton Gas Light and Water Company (1877) and the Moncton Sugar Refinery (1879).<sup>23</sup> Forty-six local residents financed the former and twenty-two the latter, and they represented a wide range of occupations, including many Moncton merchants. One of these investors was Peter McSweeney (dry goods merchant family and later a Liberal Senator), who also took a prominent part in establishing the Moncton cotton and Moncton knitting factories<sup>24</sup> and was a vocal opponent of the National Policy. (Isaac Burpee, Mackenzie's Minister of Customs, was also an active industrial investor in the 1880s in Saint John.) This suggests that a closer comparison of the political statements of some members of the merchant group and their eventual economic behaviour should be carried out; even the apparently ideologically committed did not refrain from taking advantage of new opportunities.

In St. Stephen-Milltown (Charlotte County), various off-spring of the local, much inter-married lumber and shipping families, such as the Todds, Murchies, and Eatons, combined to bring in the St. Croix Cotton Company in 1882, another major nineteenth century employer, and to organize the St. Stephen Bank and several smaller local firms. They used private financing from Rhode Island for the St. Croix mill; only one-third of the \$500,000 initial capitalization was subscribed locally.<sup>25</sup> The reasons for going to the Dexter family in the United States rather than elsewhere in the province have to be investigated further. One source describes a trip by several prominent St. Stephen men to Fredericton and Saint John to interest investors and suggests that all they succeeded in doing was to give Alexander Gibson (New Brunswick's wealthiest lumber merchant) the idea to open his own cotton mill.<sup>26</sup>

## ECONOMIC DEVELOPMENT AND PRIMARY RELATIONSHIPS

Benedict suggests that the family firm is quite a useful institution at a certain level of economic development. Kinship relationships can be exploited to obtain financing, make business connections and recruit personnel at a stage in which size and specialization are relatively low and financial intermediaries underdeveloped or inflexible.<sup>27</sup> The economic importance of kinship in these New Brunswick communities, where inter-marriage is common among the local elite, is clear. Affinal relationships as well as the usually emphasized blood relationships are utilized in the economic system. Brothers-in-law frequently become business partners, e.g., the Harris's and brother-in-law John Humphrey were the major industrial entrepreneurs in Moncton (see below), and sons-in-law can succeed as well as sons, e.g., James Harris's foundry and car-works in Saint John (mentioned above). Data which would indicate how considerations of economic linkages actually affected marriage choice at this period would be an important contribution. To the importance of kinship linkages can be added those of primary loyalties generally – school, church and other community-based ties – in effecting



operations necessary to the stability and growth of the firm. This New Brunswick investment pattern may be a typical one for a stage of economic development without well-developed or sympathetic financial institutions.

## THE MERCHANT AS INDUSTRIALIST

We have shown the numerous instances of merchants accumulating capital in commercial activity and transferring this capital to industrial use through various forms of informal organization. It is also true that many merchants went well beyond organizing capital to become actively involved in the founding and day to day management of industrial enterprises. In Saint John and Moncton, industrial entrepreneurs were frequently merchants or came from merchant families.

A common form of industrial diversification was backward linkage (or vertical integration). That is to say a merchant decides to produce or process items which he formerly only sold, despite his lack of relevant craft experience. The largest firm of this kind was T. McAvity and Sons. Thomas McAvity and his brother William began a hardware and general store business in Saint John in 1834. Thomas's son, James McAvity, acquired the small Kennedy brass foundry in 1863 and added it to the family business. The foundry became one of the largest in Canada, and the store continued as a rather small branch of the business up through the 1940s.

In the 1860s, Charles Emerson began a stove, furnace and general hardware dealership in Saint John. One son, Charles, continued in merchandising; another, Robert (with W. Shives Fisher), acquired the Enterprise Foundry in Sackville, New Brunswick, and divided his time between the essentially mercantile business in Saint John and the foundry. A pattern of having one or two succeeding sons in a merchant family diversify into manufacture is suggested by these examples.

Charles B. Record originally sold furniture and household goods (including stoves) in Moncton. In 1857 he acquired a foundry and began to manufacture stoves; his firm continued well past the First World War. In Saint John, Thomas C. Everitt and his son, William G. Everitt, both brought merchant backgrounds to the Saint John Foundry.

Backward linkage involving consumer goods production is probably a more common phenomenon because of lower capital investment necessary and, perhaps, the less sophisticated manufacturing skills involved. One common pattern of this kind involved the general purpose stationery and book store which branched into printing and bookbinding on a factory basis. Both MacMill and Son and Barnes and Company of Saint John began as booksellers before 1860 and became bookbinding factories, each employing about fifty, by 1914.<sup>28</sup>

Food importers diversified into food processing to a degree requiring substantial capital investment and factory organization. At least three spice, tea and coffee processors in Saint John — Dearborn and Company, T.H. Estabrooks and G.G. Barbour — show this pattern. So does Thomas McCready and Son which developed from a food marketing firm into a food processing firm manufacturing vinegar in the late nineteenth century. The Issacs and Hart firms in the same city follow another such sequence; they



developed from tobacco importers to cigarette manufacturers between 1880 and 1900. Clothing manufacture was similarly developed. Clothing importers and merchandisers who were not merchant tailors, i.e., who did not have relevant craft skills, began to produce clothing using modern machinery and factory organization, such as Scovil Brothers and Manchester, Robertson and Allison in Saint John.<sup>29</sup>

A number of merchants diversified into production which was not tied directly to their established mercantile enterprise. The Harris family ventures in Moncton are an example. Michael Spurr Harris (1804-1866) accumulated wealth in lumber and shipping in that city. Two of his sons, Christopher and John, became general merchants in Moncton, importing British and West Indies goods. They went on to organize, with their brother-in-law John Humphrey, almost all the major industrial enterprises in Moncton from 1870 to 1900 – the sugar refinery, cotton and woollen mills and the gas and light company. The other major local industrialist family, the Peters (lock factory, foundry and woodworking factory), although not as active or as wealthy as the Harrises, also had a merchant background.

Perhaps the most successful example of such an entrepreneur in transition in New Brunswick is William Parks of Saint John. Arriving in the province without funds in 1822, he accumulated capital in dry goods merchandising and in shipping, in partnership with a brother-in-law and later a son. Subsequently he became involved in banking and railroads. In 1861 he set up the first cotton mill in British North America with the financial backing of local businessmen. This firm became the largest employer in the city. His son, John Hegan Parks, a trained civil engineer, worked closely with him in managing production, but sources attribute the idea to establish a cotton mill and much of the original organization to his father, who "made it a subject of careful study."<sup>30</sup>

At this stage more data is required to evaluate the closeness of such individuals to the management of their enterprises. This preliminary evidence we have presented does suggest, however, that the transformation from merchant to industrialist did occur and may have fit quite well into a particular period of industrial development, when the technological and managerial problems of running a profitable industry were not yet so complex or when the succeeding generations successfully picked up new skills as the need for more specialization gradually developed.

## THE DIVERSITY OF ENTREPRENEURIAL INTERESTS

The major analysis of New Brunswick economic history in this period places heavy emphasis upon the diversity of interests of the entrepreneurs – mercantile, financial and industrial as well as non-economic commitments to local and provincial government and to community welfare – for the failure of New Brunswick industry to stay independent of Central Canadian control.<sup>31</sup> But a recent review of available material on British entrepreneurship in the nineteenth century, certainly the most carefully studied of any historical period of industrial growth, concluded that there is such a "paucity of information" that it is "dangerous even to speak of 'the British entrepreneur.'"<sup>32</sup> One can certainly infer from this review that there is little evidence to indicate whether a



"permanent and sole commitment to an industrial vocation"<sup>33</sup> on the part of the entrepreneur was a strong variable influencing the success of the firm or was even a typical occurrence at this stage of industrial development.

## SEQUENCES OF DEVELOPMENT IN A POST-FRONTIER ECONOMY

There are several patterns exhibited in New Brunswick which may be typical sequences in a post-frontier economy. The depletion of frontier resources leads to a slackening of interest by internationally-oriented firms which had participated in the initial period of resource development and exploitation (frontier-stage). The regionally-oriented firm, which is more committed socially to the area, begins to look for new opportunities for investment. Industrial development is one way to do this, whatever the profitability of importing as many manufactured goods as possible in the frontier-stage, when exports were also high. Additionally, because the regional economy is not yet so complex, or because impersonal financial intermediaries are not so well developed, networks to kin and friends can be important factors influencing decisions about which patterns of diversification are thought to be feasible. Such extra-economic organization constitutes a not unsound form of economic organization in the context of early capitalist development, such as that found in England in the 1830s. Unfortunately, this form was incapable of responding successfully to the challenges brought on by the crisis of excess capacity that developed within industrial societies at the turn of the last century and led to the consolidation movement.

## INDUSTRIAL DEVELOPMENT IN LIGHT OF NAYLOR, BAKER AND ACHESON

The description of the industrialization effort we have sketched points out some difficulties with at least part of the Naylor argument. There appears to have been no great barrier to movement of capital from commercial to industrial use, nor any great barrier to movement from merchant to industrial roles by individual entrepreneurs (see G. Panting's findings on Yarmouth for a similar argument within this collection). Moreover, the patterns exemplified in Southern New Brunswick do not appear to differ significantly from those found in England, the United States and elsewhere. While it is true that many entrepreneurs retained some business orientations derived from their merchant experience — notably the unwillingness to raise variable cost capital through their stock offerings — the difficulties of liquidity shortages and excessive debt costs that resulted, while creating difficulty, were probably not in themselves determinant of the success or failure of individual enterprises. Moreover, not all entrepreneurs displayed this orientation.

Additionally, Naylor argues that the transition from merchant to industrial capital did not take place in Central Canada and that local capital was drained from Maritime communities as local banks passed into Montreal and Toronto hands only to be invested in the distributive infrastructure needed to develop the Western Prairies.<sup>34</sup> Unpublished evidence by Acheson,<sup>35</sup> however, contradicts this by suggesting that the Montreal merchant community diversified into manufacturing in a way not unlike their New



Brunswick counterparts. Capital may have been withdrawn through bank takeovers but such capital was at least partially used to expand and protect Montreal-based industry from Maritime competition. Such an argument lends support to a "centre-periphery" interpretation of industrial failure but not to a "merchant capital dominating industrial capital" thesis.

The relationship between community banks, capital accumulation and industrial development in Southern New Brunswick appears to be more complex than either Naylor or Baker suggest. Banks in Atlantic Canada were nearly always small, community-oriented ones with few, if any, branches. In the mid-nineteenth century they certainly facilitated trade and until 1870 had a considerably more generous circulation-reserve ratio requirement than their Central Canadian counterparts (New Brunswick banks were legally permitted to circulate twice the amount of their capital plus what specie and government securities they held). Yet the community bank's role in industrial development was far from dominating. As we have argued, much of a firm's original capitalization was raised through interpersonal friendship and kin networks within the community. Local banks were usually called upon as a source of loans for current operating costs. Thus while the take-over of local banks by those in Toronto and especially in Montreal had undoubted deleterious effects on the availability of local capital, it is not clear that the demise of the community bank is the most significant factor explaining the eventual industrial failure. Even had the banks remained in local hands, the fragmented nature of financial organization, the fact that most New Brunswickers preferred investing savings in government bonds to savings institutions, and the enormous capital requirements resulting from the consolidation movement might have led to large scale industrial failure regardless of where ownership and control were located.

A complete answer to Acheson takes us far beyond the data presented in this paper. Nonetheless, some preliminary comments are in order based on the data we have collected. We certainly agree that the initial effect of the National Policy was to spur industrial development that had begun before the policy was initiated. Moreover, it is also clear that the leading industrialists of the period came from merchant backgrounds and used capital accumulated in the export trade. Many merchants acquired expertise in running industrial enterprises and, when such expertise was lacking, thought nothing of bringing in relevant managers from Scotland, the United States and elsewhere. Evidence concerning entrepreneurial succession is, at best, mixed. While many sons of the early industrialists deserted industrial activities — usually for more gentlemanly pursuits — there were numerous exceptions as we have tried to show. Moreover, there is some evidence to demonstrate inter-marriage between the daughters of industrialists and imported managers, thus providing kin-based succession. As a final point, it should be mentioned that problems of inter-generational succession are a common theme in the literature on industrial development. There is no evidence to suggest that this problem was more severe or deleterious in New Brunswick than in any other region in Canada or elsewhere.

The world-wide crisis brought on by unplanned industrial development which led to the crisis of excess capacity in the late nineteenth century and the decline of the West



indies carrying trade as a source of capital accumulation also appear to be important factors explaining industrial failure. The carrying trade was particularly important because surpluses accumulated in the trade were the major buffers to the problems brought on by the dumping of goods into Maritime markets by American and Central Canadian industry. Montreal capitalists in particular, because of their greater size, more highly developed regional infrastructure and closer relationship to the Canadian state (some might say domination of the state) were in a far better position to weather the crisis. Indeed, it would appear that part of their survival strategy was to cannabilize an already badly weakened Southern New Brunswick industrial base.

## SUMMARY

Southern New Brunswick at the end of the last century represented an early stage of industrial development, what might be termed a "post-frontier stage," characterized by scattered firms throughout numerous communities and capitalized from local funds raised through friendship networks more often than formal capital-mobilizing institutions such as banks. Such a strategy made good sense in an early period of industrial effort. Such a strategy could not, however, resist the centralizing and consolidating pressures that arose as a response to overproduction at the turn of the century. Thus the region fell prey to the underdevelopment that necessarily accompanies capitalist development and was turned into a market for the manufactured goods of Montreal and a supplier of resources – including cheap labour – for Montreal and Toronto.

## NOTES

1. T.W. Acheson, "The Social Origins of Canadian Industrialism: A Study in the Structure of Entrepreneurship" (Unpublished Ph.D. dissertation, Department of History, University of Toronto, 1972).
2. R.T. Naylor, "The Rise and Fall of the Third Commercial Empire of the St. Lawrence," in Gary Teeple (ed.), *Capitalism and the National Question in Canada* (Toronto, 1972), 1-42; Tom Naylor, "The History of Domestic and Foreign Capital in Canada," in Robert M. Laxer (ed.), *The Political Economy of Dependency* (Toronto, 1973); R.T. Naylor, *The History of Canadian Business, 1867-1914* (2 vols., Toronto, 1975); J. Baker, "Banking and the Underdevelopment of Atlantic Canada" (Paper presented to CSAA, Fredericton, N.B., June 1977).
3. L.R. Macdonald, "Merchants against Industry," *Canadian Historical Review*, LVI, No. 3 (Sept. 1975), 263-81.
4. Karl Marx, *Capital* (New World Paperbacks reprint, New York, 1967), III, 336.
5. W. MacNutt, "The Politics of the Timber Trade in Colonial New Brunswick, 1825-1840," in G.A. Rawlyk (ed.), *Historical Essays on the Atlantic Provinces* (Toronto, 1971), 122.
6. *Ibid.*, 125.
7. Atlantic Provinces Economic Council, "The Atlantic Provinces in Relation to the Canadian Economy" (mimeographed, 1955), 1.
8. MacNutt, 124.
9. Atlantic Provinces Economic Council, 2.



10. Arthur Lower, *"Great Britain's Woodyard": British America and the Timber Trade, 1763-1867* (Montreal, 1973), 122-125.
11. See, for example, Wilfrid Harrison, "The Maritime Bank of the Dominion of Canada" (Unpublished M.A. thesis, University of New Brunswick, 1970), for a history of one such bank.
12. John Rankin, *A History of our Firm* (Second edition, Liverpool, 1921), is a history of that firm and illustrates the international character of its interests.
13. H.A. Shannon, "The Limited Companies of 1866 and 1883," *Economic History Review*, IV (1932-3), 290. He describes the formation of limited companies in Britain at this time as a "fad" in which "crazes" for certain kinds of enterprises, such as skating rinks, develop and subside.
14. See, for example, Glenn Porter and Harold Livesay, *Merchants and Manufacturers* (Toronto, 1971). Data on New Brunswick businessmen in the following sections comes from research in progress by the authors.
15. According to Harris's will. Copy in New Brunswick Museum Archives, Saint John, N.B.
16. This material can be found in the Lovell's and McAlpine's directories for the city in those years.
17. In its publication *The Book of Saint John* (Saint John, 1903).
18. In his obituary, *Saint John Globe*, February 13, 1923.
19. See Parks Papers, New Brunswick Museum Archives, Saint John, New Brunswick.
20. *Ibid.*
21. *Ibid.*
22. Moncton's development was later than St. Stephen or Saint John and depended upon the railroad. It was not an important centre for shipping and timber although some of its leading merchants did accumulate wealth in these sectors.
23. Lloyd Machum, *A History of Moncton* (Moncton, 1965), 107, 109.
24. *Newspaper Reference Book of Canada* (Toronto, 1903), 187.
25. See Harold Davis, *An International Community on the Saint Croix* (Orono, Maine, 1950), 272, for more details.
26. *Moncton Times*, December 1880.
27. Burton Benedict, "The Family Firm and Economic Development," *Southwestern Journal of Anthropology*, XXIV, No. 1 (1968), 1-19.
28. *Saint John* (Saint John, 1914), 98-99.
29. These firms varied greatly in size. By 1914, G.E. Barbour employed 12; Dearborn, 12; Estabrooks, 200; Thos. McCready and Son, 30; A. and I. Isaacs, 70; A.S. Hart, 30; Scovil Brothers, 55.
30. *Saint John and Its Business* (Saint John, 1875), 121-122.
31. T.W. Acheson, "The National Policy and the Industrialization of the Maritimes, 1880-1910," *Acadiensis*, I, No. 2 (Spring 1972), 3-28.
32. P.L. Payne, *British Entrepreneurship in the Nineteenth Century* (London, 1974), 57-58.
33. Acheson, "The National Policy," 20.
34. Naylor, "The History of Domestic and Foreign Capital in Canada."
35. T.W. Acheson, "The Social Origins of Canadian Industrialism."



## 7. DISCUSSION FOLLOWING THE PAPERS OF G. FINLEY L. and P. FELT

SUTHERLAND asked if there were identifiable reasons why St. Martins should become the largest of the shipbuilding outports. Where did the shipbuilders get their initial capital?

FINLEY thought that St. Martins had characteristics in common with other small shipbuilding communities around the Bay of Fundy. It was not entrepreneurial skill which gave rise to the shipbuilding industry as much as the nature of available resources. The land allowed only subsistence farming, and the fishery was never large in the upper part of the Bay. On the other hand, the timber was available even to the water's edge, and so it was natural for Saint John's merchants to encourage shipbuilding in the area. The initial capital came from Saint John firms, which placed contracts for vessels with the Morans and other families. By the 1840's the Morans began building vessels for their own use, and further investment in shipbuilding undoubtedly depended to some extent upon the profits of vessels owned and operated by St. Martins families.

WYNN wondered to what extent workers in the shipyards were engaged in other activities during the year. How specialized was the labour in this craft industry?

FINLEY believed that the occupational breakdown of the 1871 census suggested that the entire community depended directly or indirectly on the shipyards. The largest occupational category was that of the farmer, but many farmers worked in the shipyards as well, and in the winter farmers would cut timber for the shipyards. The sawmillers, the tradesmen, the blacksmiths, and the professional men all worked directly or indirectly for the shipbuilding industry. The common man depended upon the industry, and when that industry died, in a real sense the community itself died.

Was the Morans' move to Saint John, WYNN asked, the result of an exhaustion of timber supplies around St. Martins?

According to FINLEY, the Morans gave two reasons for the move to Saint John in 1873-74: first, the scarcity of timber around St. Martins; and second, the lack of specialized skills in the labour force in St. Martins. By 1874 sailing vessels were highly sophisticated, and the labour force in Saint John was better trained to build the new types of vessel. Much of the specialized work had always been done in Saint John: the hull would be built in St. Martins and then towed to Saint John, where the masts, rigging and outfitting would be completed. It seems that by the 1870's the Morans decided that it would be more economical to relocate rather than to have their larger vessels towed to Saint John.

JANNASCH pointed out that the technology of wooden ship construction changed very little between the 1850's and 1870's. It was true, however, that some of the outfitting was more complex by the 1870's.

SUTHERLAND asked if the communities which the Felts had studied suffered



particular economic disadvantages compared to central Canada, and whether these disadvantages account for the partial economic failure of those communities.

L. FELT suggested that it is very difficult, at the present stage of historical work in this field, to give priority to specific variables in explaining the economic failure of particular communities, let alone the region as a whole. At the institutional level, there were problems in the development of banking and other financial institutions in Atlantic Canada; and the relationship between commercial capitalists in Montreal and the Canadian state clearly worked to the advantage of central Canada. At the same time there were factors which lend support to a neo-classical economic model: distance to markets, population growth at the centre, and transportation costs all worked to the disadvantage of the Atlantic region. At the moment it is difficult to say which model best accounts for the experience of particular towns or industries, but our evidence suggests that specific local factors fit best within a centre-periphery model. There was, of course, considerable optimism in many industries at the end of the century, and there seemed little problem in mobilizing capital for many industries. In the communities which we studied there seem to have been no insuperable barriers to merchants, many of them in dry goods, in making the transition to manufacturing. Certainly by the 1880's even the family firms were not being capitalized by the family itself – the old family firm had made the transition to joint stock company and had found a wider basis for initial capitalization.

WYNN argued that the change in the rates on the Intercolonial Railway in 1921 was a critical factor in retarding industrial growth in the Maritimes. Were the Felts putting too much emphasis on an earlier period? L. FELT agreed that the changes in freight rates were important, but argued that the process of retardation began in the pre-war period. SUTHERLAND was puzzled that FELT should agree with WYNN on the importance of freight rates: surely FELT had been arguing that the critical factor was ownership and the strategies that follow from that ownership.

L. FELT agreed that ownership and control were the critical factors. The freight rate changes of 1921 were merely the last nails in the coffin. It's very clear that the cotton industry, for instance, was doomed by excess capacity and by the seizure of control by such financial institutions as the Bank of Montreal. The take-over of ownership, however, was facilitated by local conditions: the scattered community basis of industrial development, the weakness of financial institutions in the Maritimes, and the wider problem of excess capacity. The transfer of ownership and control was facilitated by the stage of capitalist development in the Maritimes in the later nineteenth century. The centre-periphery model is useful in this context precisely because of the different stages of development in different regions.

SUTHERLAND reiterated that it was essential to begin by disaggregating the total industrial picture and looking at each sector separately. In Amherst transportation costs were the crucial problem, but they were not so important in Cape Breton. In Saint John manufacturing based on staples remained important. The cotton industry was in no way typical of other sectors.

MUISE asked if there was any group who performed a brokerage function, either in facilitating industrialization or in assisting the take-over of ownership.



L. FELT referred to a few lawyers who acted as agents for the Bank of Montreal in the communities under discussion, but saw no concerted effort to facilitate take-overs. P. FELT said that there was no identifiable group in Moncton, Saint John or St. Stephen who participated in the transfer of ownership for their own private advantage, in contrast to those in Halifax at a later period who did encourage such transfers, according to the findings of David Frank.

JANNASCH reminded participants that secondary industry did not die out in Nova Scotia in the twentieth century. There were furniture factories, shoe factories, and three companies exporting pianos. But in the twentieth century many of these industries met serious competition from mail-order catalogues. The impact of these catalogues as a marketing technique has never been fully analyzed, but they were surely an important factor in the successful capture of national markets by central Canadian industry.







8. THE MERCHANTS OF WATER STREET  
AND CAPITAL INVESTMENT IN  
NEWFOUNDLAND'S TRADITIONAL ECONOMY

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# THE MERCHANTS OF WATER STREET AND CAPITAL INVESTMENT IN NEWFOUNDLAND'S TRADITIONAL ECONOMY

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The merchants of St. John's were entrepreneurs in a maritime economy, and they were the principal owners of capital stock in this economy. Although this was a highly labour-intensive economy, there existed one major input of capital: this was the fleet of decked vessels which was registered at St. John's. Many of the island's inhabitants possessed small boats for use in the inshore fishery; but very few owned any portion of the fleet of larger vessels. The owners of decked vessels, who were never more than 1% of the population, provided the essential capital inputs in the seal fishery, in the Labrador and the bank fisheries, and in the local carrying trade. The merchants of St. John's held a dominating position among the owners of vessels. They fulfilled at least two of the functions normally attributed to the entrepreneur: they supplied capital and bore the risks attendant upon capital investment; and they organized the marketing of the fish and seal products which came from primary producers. Since they enjoyed a monopsony as purchasers of the fisherman's output, and a monopoly in the marketing of supplies, they acquired a high degree of control over the maritime economy, and their control is even more remarkable because the fishery was an open access, common property resource.<sup>1</sup>

In the latter half of the nineteenth century the economy over which these monopolists held sway was in crisis. Productivity and gross earnings in the fishery declined, Newfoundlanders' participation in their own carrying trade declined, and a flow of emigration from the island began. What was the role of the entrepreneur in this crisis? How did the merchants of St. John's respond and what does their response tell us about the history of this resource-based economy? We are a long way from any definitive answers to these questions. It is hoped that some partial answers may emerge from a brief study of the merchants in their role as shipowners. Unfortunately, few detailed records remain from the merchant firms of St. John's in the crucial decades between 1850 and 1890.<sup>2</sup> We must reconstruct the investment decisions of St. John's merchants from the available statistical data. This paper will begin, therefore, by presenting some of the data on merchants' shipping investments, and will then offer a few conclusions about the role of those investments in the maritime sector of the economy.

St. John's became the metropolitan centre of Newfoundland in the early nineteenth century. It became a centre of trans-shipment, and its merchants came to dominate the business of exporting the island's staples. As the marketing of exports became more centralized, so the fleet which produced or carried those exports became more centralized. Table 1 suggests that the domination of St. John's owners was greatest in the 1840's and 1850's. The increasing concentration of shipping tonnage in St. John's reflects the growing preference of St. John's owners for larger vessels, and in particular for brigs and brigantines, most of which were in the 100 to 250 ton range. In the 1820's St. John's



residents showed an overwhelming preference for the small schooner; but by the 1830's 37% of their new investments consisted of brig or brigantine tonnage, and this proportion rose to a high of 72.5% in the 1850's. Even while they shifted their investments into larger vessels, however, the owners in St. John's continued to invest in schooners, and their share of all schooner tonnage registered in the island grew to 54% in the 1840's.

TABLE 1

TONNAGE ADDED TO THE FLEET BY OWNERS RESIDENT IN ST. JOHN'S, 1820-1889

	SCHOONERS		BRIGANTINES		BRIGS	
	Tons	% Of All New Schooner Tonnage	Tons	% Of All New B'tine Tonnage	Tons	% Of All New Brig Tonnage
1820-29	8,657	38.7	1,448	63.9	926	29.8
1830-39	15,129	50.2	5,297	78.1	3,748	46.7
1840-49	12,080	54.1	14,449	76.2	5,444	66.9
1850-59	9,086*	52.3	20,809*	65.1	7,328*	60.5
1860-69	11,366	37.5	7,893	63.1	3,332	48.8
1870-79	15,586	33.1	6,358	66.6	808	53.6
1880-89	18,873	38.1	4,239	76.4	341	55.7
1820-89	90,777	41.1	60,493	69.1	21,927	54.4

	STEAMERS		BARQUES/BARQUENTINES		ALL RIGS	
	Tons	% Of All New Steam Tonnage	Tons	% Of All New Barq Tonnage	Tons	% Of All New Tonnage
1820-29	—	—	106	41.4	11,355	39.6
1830-39	—	—	—	—	24,349	53.5
1840-49	35	100.0	546	100.0	32,554	65.0
1850-59	416*	69.0	1,000*	69.0	38,807*	59.3
1860-69	2,585	86.8	—	—	25,146	46.5
1870-79	9,029	81.9	2,255	89.6	34,036	47.4
1880-89	715	25.4	1,801	49.6	25,969	41.6
1820-89	12,780	72.4	5,708	63.1	192,216	50.0

\* Vessel registries for St. John's for the year 1854 appear to be lost. We know the total tonnage of new registrations for 1854, however. If St. John's accounted for 59% of those 1854 registrations, then the total tonnage of "all rigs" might read 42,562 for the 1850's, and totals for each rig might be 10% higher. Percentages would remain the same. Source: B.T. 107/108 ship registries.

The domination of St. John's owners over the larger vessels is made more clear in Table 2. Here the fleet of square-riggers and steamers is aggregated and defined as the "non-schooner fleet"; changes in gross investment by St. John's owners have been correlated with changes in all gross investment in non-schooner tonnage. The figures suggest that by the 1850's 83% of changes in gross investment in non-schooners were the result of investment decisions by St. John's owners. The correlation does not weaken significantly until the 1880's — in this decade, when profit margins in St. John's were



threatened by poor returns from the fishery, a significant proportion of the declining non-schooner fleet was held by non-resident owners. But until the 1880's the rise and decline of the non-schooner fleet were the result of decisions taken in St. John's.

TABLE 2  
CORRELATION COEFFICIENTS OF ANNUAL CHANGES IN  
TONNAGE ADDED TO THE FLEET BY ST. JOHN'S OWNERS  
AND ANNUAL CHANGES IN NON-SCHOONER TONNAGE  
ADDED TO THE FLEET

	$r$	$r^2$
1820s	+ .62	+ .38
1830s	+ .89	+ .79
1840s	+ .83	+ .69
1850s	+ .91	+ .83
1860s	+ .80	+ .64
1870s	+ .88	+ .77
1880s	+ .46	+ .21

Source: B.T. 107/108 ship registries.

The pattern of gross investment was also determined by a particular occupational group, the merchants. Twenty-one percent of all vessel owners in our period were described as merchants at least once during their vessel-owning careers, and this 21% accounted for at least 65% of all newly-registered tonnage<sup>3</sup>. Even more striking was the concentration of tonnage in the hands of St. John's merchants (Table 3). The merchants of St. John's and Conception Bay together owned about 90% of the non-schooner fleet by the 1850's, and it was this concentrated ownership of the larger square-riggers which accounted for the high proportion of the fleet owned by the merchants of St. John's. The domination of St. John's merchants was not constant over time, however. In Table 1 we saw that the share of all new tonnage owned in St. John's declined from 65% in the 1840's to 42% in the 1880's. Table 3 makes clear that the merchants of St. John's were responsible for this trend: their share of total tonnage declined substantially after the 1840's, even though their domination over other occupational groups in St. John's itself was increasing. The Water Street share in new shipping fell particularly steeply between the 1850's and 1860's. This dispersion of capital stock occurred, not because owners outside St. John's increased their investments substantially, but because the merchants of St. John's undertook massive retrenchment in the 1860's. Total tonnage added to the fleet by St. John's merchants fell by 36% in the 1860's, from over 33,000 tons in the 1850's to 21,000 tons in the 1860's. The 1870's saw a recovery, due largely to the merchants' addition of steamers with a total capacity of 9,000 tons (Table 1). Retrenchment occurred again in the 1880's: by this decade new shipping tonnage was more widely dispersed throughout the island than at any time since the 1820's, and this weakening of metropolitan dominance in the shipping industry continued in the twentieth century.<sup>4</sup>



TABLE 3  
DISTRIBUTION OF NEWLY-REGISTERED TONNAGE OWNED  
IN ST. JOHN'S BY OCCUPATION 1840-1889\*

DECADE	OCCUPATION	% OF TONNAGE REGISTERED BY ALL NFLD. OWNERS	% OF TONNAGE REGISTERED BY ST. JOHN'S OWNERS
1840s	Merchant	51.5	82.4
	Fisherman/ Mariner	1.6	2.6
	Planter	2.5	3.9
	Shipowner	2.1	3.4
	Tradesman	1.4	2.2
	Other	3.4	5.4
1850s	Merchant	49.4	86.2
	Fisherman/ Mariner	2.8	4.9
	Planter	1.3	2.2
	Shipowner	1.0	1.8
	Tradesman	1.3	2.3
	Other	1.5	2.6
1860s	Merchant	37.8	85.1
	Fisherman/ Mariner	2.4	5.4
	Planter	0.5	1.2
	Shipowner	1.6	3.6
	Tradesman	0	0.5
	Other	1.9	4.2
1870s	Merchant	34.5	88.5
	Fisherman/ Mariner	0.6	1.6
	Planter	0.3	0.7
	Shipowner	2.7	6.8
	Tradesman	0	0.2
	Other	0.8	2.1
1880s	Merchant	34.4	92.4
	Fisherman/ Mariner	0.7	2.0
	Planter	0.2	0.7
	Shipowner	0.6	1.6
	Tradesman	0.4	1.0
	Other	0.8	2.3

\* Figures in this Table must be taken as estimates. Each owner's share of tonnage in a vessel has been calculated by dividing the tonnage of each vessel by 64 (since shares were given in 64ths) and multiplying by the number of shares the owner held out of 64. But a small proportion of registries with multiple owners do not state the number of shares for each owner. In these cases the numerator used in the calculation is 64 — which gives each joint owner the entire tonnage of the vessel. The sum of total tonnage owned which I have used to calculate percentages is thus larger than the actual total tonnage of registered vessels. The resulting percentages would be inaccurate, however, only to the extent that such joint ownerships were unevenly distributed among different occupational groups. In fact the merchants had a slightly smaller proportion of such joint ownerships; their share of total tonnage is not likely to be over-stated therefore. Source: B.T. 107/108 ship registries.



There were therefore two distinct trends in the pattern of investment by St. John's merchant-shipowners. A period of growth and increasing concentration of ownership continued to some point in the 1850's; there followed a long period of retrenchment, which was particularly marked in the 1860's, and interrupted only with the addition of steamers in the 1870's. These trends had a critical effect upon the shipping industry as a whole. The growth of the fleet before 1860 was determined by the rapid growth of the non-schooner fleet, and the non-schooner fleet grew because of investment decisions taken by the merchants of St. John's (and, to a lesser extent, by the merchants of Conception Bay). In the 1860's and 1880's the fleet experienced negative growth rates due to the failure of gross investment to keep pace with a very rapid rate of capital consumption. These negative growth rates resulted particularly from a failure of gross investment in non-schooner rigs. The merchants of St. John's had built the fleet of square-riggers; the decision not to replace depreciating stock, and so to run down the island's ocean-going fleet, was largely their decision. Over two-thirds of the decline in gross investment between the 1850's and 1860's may be accounted for by the decline in investment by St. John's merchants; the same group accounted for an equal proportion of the decline in gross investment between the 1870's and 1880's. Between 1859 and 1889 Newfoundland lost 73% of its ocean-going fleet, if by that fleet we mean square-riggers and other vessels of 100 tons or more. Retrenchment in St. John's did not mean the end of the island's shipping industry, but it did mean that the capital structure of the industry was transformed. The square-rigged vessels were replaced by auxiliary steamers and by schooners. It is important to note that gross investment in schooners increased substantially in the 1860's and 1870's; growth rates for schooner tonnage peaked in the 1860's and 1870's, and remained positive even in the depressed 1880's.<sup>5</sup>

Although the geographic dispersion of capital in the form of vessel tonnage is very evident in the last half of the 19th century, there remained a remarkably high concentration of tonnage held by a few large shipowners, at least until the 1880's. The concentration of tonnage was almost as marked as in the deep-sea port of Yarmouth, for instance.<sup>6</sup> Since a higher proportion of the fleet in Newfoundland was used in the service of widely dispersed outports, and since the proportion of both general population and shipowning population residing outside the port of registry was higher in Newfoundland than in Yarmouth County, we might have expected to find a much lower concentration of ownership in Newfoundland.<sup>7</sup> The proportion of all owners who held 500 tons or more of newly-registered shipping was roughly the same in both places (4% of all owners in Yarmouth, and between 3% and 4% in Newfoundland). The concentration of ownership among the few very large owners was perhaps not so marked in Newfoundland, but it was still very high. The dozen largest owners in Yarmouth (0.5% of all owners) accounted for 23% of all new tonnage in that port; in Newfoundland the dozen largest owners (only 0.4% of all owners) accounted for 17% of new tonnage registered between 1840 and 1889.<sup>8</sup>

The remarkable concentration of tonnage in the hands of relatively few owners continued in the 1860's and 1870's, and this points to another very important trend in the pattern of investment in shipping. Although the merchants of St. John's undertook



substantial retrenchment in the later decades, not all merchants felt the same reluctance to undertake the risk of capital investment. For the purpose of analyzing the largest shipping entrepreneurs, we have isolated 69 individuals – those who held shares in vessels totalling 1000 tons or more between 1840 and 1889 (56 of these owners had firms, or branches of British firms, in St. John's, and nine were based in Conception Bay). Although these 69 owners showed great caution in the 1860's, nevertheless their investments had not diminished as rapidly as had investments by all St. John's merchants. Among owners resident in St. John's (and Conception Bay), there was thus a growing concentration of tonnage in the hands of these 69 individuals (Table 4).<sup>9</sup> This increasing concentration continued in the 1870's, when these 69 merchants abandoned the caution of the 1860's and increased their annual average investments by 35%. The growing influence of these few very large owners over the entire fleet is confirmed by the correlations in Table 5. There were therefore two contrary trends in the decades after 1860: while the fleet was becoming more widely dispersed, and while the merchant community of St. John's accounted for a declining share of all investments, nevertheless a small number of merchants in St. John's and Conception Bay continued to hold over 44% of the entire fleet, and acquired even greater control over shipping relative to other owners resident in St. John's and Conception Bay.

TABLE 4  
GROSS INVESTMENT BY THE 69 LARGEST SHIPOWNERS, 1840-1889\*

Decade	1. Total Tonnage (69 Owners)	2. Tonnage Per Investment (69 Owners)	3. Tonnage Per Investment (All Owners)	4. Col. 1 As % Of All New Tonnage	5. Col. 1 As % Of All New Tons Owned in St. John's And Conception Bay
1840-49	16,889	69.5	53.1	33.7%	39.2%
1850-59	31,953	81.3	57.9	48.9	58.3
1860-69	23,808	70.9	48.1	44.1	61.7
1870-79	32,060	84.1	43.8	44.6	69.2
1880-89	17,163	59.2	42.1	27.5	55.7

\*The 69 largest shipowners were those who invested in vessels totalling 1000 tons or more. Figures for the 1840s and 1880s may understate the total tonnage held by owners of 1000 tons. Source: B.T. 107/108 ship registries.

Several conclusions may be drawn from this evidence. First, although retrenchment by St. John's merchants resulted in a shrinking of capital stock in the 1860's and 1880's, this does not mean that St. John's merchants abandoned all hope of recovering their investment in shipping and retreated hastily from the industry. It appears, however, that fewer members of the merchant community of St. John's were willing or able to sustain their previous levels of investment, particularly during the depression in the fishery during the 1860's. The gap between the average size of all investments and the average size of



investments by the largest owners increased between the 1850's and 1860's, and increased again between the 1860's and 1870's (Table 4). Fewer merchants in St. John's and elsewhere cared to risk investments of this size: the few who did increased their share of total tonnage; those who did not either withdrew from the industry or put their investments in schooners, causing the substantial increase in schooner tonnage among St. John's owners between the 1860's and 1880's (Table 1).

TABLE 5  
CORRELATION COEFFICIENTS OF ANNUAL CHANGES IN  
TONNAGE ADDED TO THE FLEET BY THE 69 LARGEST  
OWNERS AND CHANGES IN TOTAL TONNAGE  
ADDED TO THE FLEET

	$r$	$r^2$
1840s	+ .76	+ .58
1850s	+ .89	+ .79
1860s	+ .72	+ .52
1870s	+ .94	+ .89
1880s	+ .90	+ .81

Source: B.T. 107/108 ship registries.

Given the tendency among all owners, including many merchants, towards a smaller average investment, the possibility for expansion in the non-schooner and ocean-going fleet was diminishing.<sup>10</sup> Such expansion could occur only if the very large owners continued the level of investment attained in the 1870's; or if a significant number of owners gathered together into partnerships, thereby widening the investment base to facilitate ownership of larger vessels. By the 1880's neither of these conditions had been fulfilled. The average number of shareholdings per vessel remained very low in Newfoundland, and actually declined after the 1840's. And by the 1880's even the largest shipowners failed to sustain their investments: the average size of their investments fell, and even if we allow for an inevitable bias in our sample, it is clear that the concentration of investments among the very large owners declined dramatically in the 1880's (Table 4).

The arrival of steam vessels in Newfoundland was one reason for the growing concentration of ownership which we have noted in the 1860's and 1870's. By the late 1860's steam technology had presented the merchants of St. John's with a critical choice. The first steamers had proved overwhelmingly successful on the seal hunt: the average productivity of the steamer (seals caught per ton of shipping) was more than twice that of the sailing vessel in the 1860's, and the gap widened in the 1870's.<sup>11</sup> It was already clear that to compete successfully in the seal fishery required a steam vessel. But in the depression of the 1860's very few undertook the risk. In the early 1870's, when prices and output in both the cod and seal fisheries had improved slightly, and when the cost of



steam vessels purchased in Scotland was declining, there followed the peak years of investment in steam tonnage.<sup>12</sup> But even then very few owners undertook the risk. Only 21 of the 69 largest shipowners invested in steamers, and they accounted for 73% of all steam tonnage added to the fleet. The transition to steam was clearly an unacceptable risk for most large owners, given the extreme variability of output from the seal fishery, and given the problem of finding year-round employment for the relatively small steamers used in the seal fishery.

The investment in steam vessels in the early 1870's, and the heavy investment in schooners in the late 1870's, were the last major efforts to raise the level of capital inputs in the marine sector of the economy. It was no accident that the first of these efforts occurred within the seal fishery. The seal fishery played a crucial role in the investment decisions of St. John's merchants: first, because the prospect of returns from the seal fishery was the most important incentive for investment in non-schooner rigs; and second, because the seal fishery was itself partly responsible for the growing concentration of capital in the hands of a diminishing elite of St. John's merchants.

We know that the advantages on the seal hunt lay with vessels above 100 tons, and with vessels with at least one square rig.<sup>13</sup> The larger vessel allowed more men to reach the ice; and the square rig was important for maneuverability in the ice. By the 1850's most vessels at the front were square-rigged: in 1857, for instance, 88% of the sealers clearing St. John's and Harbour Grace were brigs or brigantines.<sup>14</sup> Since over 300 vessels went to the ice in most years in the 1850's, it follows that over 80% of Newfoundland's entire brig and brigantine fleet must have been used on the seal hunt in a typical year. The analysis of voyages by St. John's-registered vessels also suggests that a smaller proportion of all available brigs and brigantines were being used in the island's export trades in the 1850's than in the 1830's.<sup>15</sup> Thus a profitable return upon the investment in square-riggers depended increasingly upon their performance in the seal hunt (and, to a lesser extent, in the Labrador fishery, where many were used in the spring and summer).

It is clear that the level of investment by St. John's merchants was increasingly determined by profits in the seal fishery. A series of correlations between shipping in St. John's and various indices relating to the seal fishery serves to confirm the relationship. The correlation between tonnage added to the fleet by St. John's owners, and the following year's tonnage clearing St. John's for the seal fishery, yields a coefficient of +.61 for the period 1825-1860. It appears that even short-term fluctuations in investment in shipping were quite closely related to profits in the seal fishery. Thus a good year in the seal fishery was followed by an immediate increase in investment: if we correlate annual changes in the value of seal product exports with changes in the following year's tonnage added to the fleet by St. John's owners, the coefficient is +.41 for the period 1843/4-1865/6. And this relationship appears to have been strengthening in the 1850's and 1860's – the crucial period when non-schooner registrations began to decline: the same correlation for the years 1850/51 to 1865/6 yields a result of +.62 which suggests that 38% of changes in non-schooner registrations may have been a response to changes in the value of seal products in this period. The decline in non-schooner investments, including investments in steam, was also very closely synchronized with the declining value of the



seal fishery. Thus if we take total tonnage added to the fleet by the 69 largest owners, and correlate this with the value of seal product exports in three-year averages between 1856 and 1888, the resulting coefficient is +.70.

We know from contemporary sources that St. John's merchants keenly awaited the results of each year's seal hunt: in this branch of the fishery the losses of several years could be recovered within a month if the sealers were lucky.<sup>16</sup> The risks were accepted because the seal hunt offered a high rate of return for a very brief employment of men and capital. Table 6 presents a very simple estimate of the rate of return to shipping employed in the seal fishery in those years for which we have complete data. These results suggest that the rate of return declined dramatically between 1851 and 1860, and was restored to high levels only after the introduction of steamers. It is almost impossible to compare the rate of return here with rates of return in other branches of the fishery, since we seldom know the exact tonnage of vessels employed at any point in time. We do know both tonnage and output in the bank fishery from 1889, however. In the five years from 1889 to 1893 the rate of return on banking schooners was £11 per ton of vessel employed — and this return would require that vessels be employed for a relatively longer period of time.

TABLE 6  
RATIO OF VALUE PRODUCED TO CAPITAL  
EMPLOYED IN THE SEAL FISHERY IN SELECTED YEARS

YEAR	AVERAGE OF 3 YEARS' VALUE OF SEAL EXPORTS (£)	TONS EMPLOYED	VALUE (£) PER TON EMPLOYED
1837	232,190	32,736	7.1
1844	315,178	31,874	9.9
1847	248,494	30,899	8.0
1851	293,317	30,216	9.7
1853	323,052	40,903	7.9
1857	259,865	40,245	6.5
1860	186,660	34,852	5.4
1867	173,444	21,415	8.1
1878	194,446	16,614	11.7

ST. JOHN'S STEAMERS ONLY

	ANNUAL AVERAGE VALUE	ANNUAL TONS EMPLOYED	
1880-84	115,894	6992	16.6
1885-89	91,829	5239	17.5

Source: *Chafe's Sealing Book* (St. John's, 1923); D.W. Prowse, *History of Newfoundland* (London, 1895), 703-707; values of seal product exports from Shannon Ryan, "The Newfoundland Cod Fishery" (1971), 235.



Given the favourable rate of return upon capital invested in the seal hunt and given that seal products accounted for 30% of the value of Newfoundland's exports by the early 1850's, this branch of the fishery must have contributed substantially to the creation of savings in Newfoundland, and to the increasing concentration of capital in the hands of a merchant elite. A recent study of capital formation in Newfoundland has related capital formation to the merchants' monopoly in selling imports and supplies and their monopsony as purchasers of the output of fishermen.<sup>17</sup> The merchant elite used these powers to ensure a high rate of exploitation: they set prices so that the value received by the fisherman closely approached the value of his yearly subsistence; and they ensured that potential competitors for the economic surplus went out of business or lost legal protection. Valuable as this argument is, it does not tell the whole story. The argument, as it is stated, assumes that capturing the economic surplus required control of the colony's pricing mechanisms, since other methods of capturing the economic surplus did not exist. In particular, the argument assumes the prevalence of "inexpensive implements of production", which meant that capitalist development could not occur through capitalist ownership of expensive means of production.<sup>18</sup> This assumption needs considerable qualification, given the importance of vessels as capital inputs in the process of production. This applies particularly to the seal fishery: this industry gave a decisive advantage to the merchant families who were able to import larger vessels, or order larger vessels from specialist builders in Newfoundland. Labourers worked in this fishery on a share system, and the deployment of fewer and larger vessels enabled the merchant to reduce the shares paid to labourers and to increase his charges for berth and supplies.<sup>19</sup>

In other branches of the fishery the ownership of capital inputs was also important: although the cod fishery was largely an inshore fishery prosecuted from small boats, certain branches of the fishery, such as the Labrador and bank fisheries, required larger vessels. The merchants' ability to accumulate capital accelerated as they were able to compete successfully for both locally-built and imported vessels, and so to own a growing portion of the off-shore fleet (including the schooner fleet) in the first six decades of the century. A very small proportion of the fleet was ever used in foreign trading (no more than 20% of the entire fleet in 1851), and this proportion was declining after the 1850's. The fleet was, therefore, a productive input in the fishery, and an essential factor in the growth of a monopoly in the import and supply business. The means of production in the fishery were not inexpensive, and ownership of the means of production was a factor in the accumulation of capital by the merchants of St. John's.

The importance of the seal fishery in accelerating the concentration of capital and savings in Newfoundland, and the importance of shipping as a capital input in the economy, are essential to any explanation for the growing crisis in the traditional economy between 1860 and 1890. For it is not sufficient to argue that the crisis in the fishery was the result of the pressure of population on scarce resources and the consequent collapse of labour productivity. Such an argument would assume that because the fishery was labour-intensive, the size of capital investment and the returns to capital were of no importance.



A more promising argument is that of Steven Antler: the proliferation of the household unit of production from about 1840 led to the dissipation and dispersion of capital inputs, the growing failure of productivity, and the consequent export of capital by merchants because the structure of the fishery left inadequate opportunities for further investment in Newfoundland. But the data presented so far on the shipping industry suggests that Antler's argument must be qualified somewhat. It may be that the decline of the planter fishery and the proliferation of smaller units of production had a deleterious effect on productivity. This subject has never been examined in sufficient detail, however. And the evidence does not suggest that the merchant class lost all entrepreneurial initiative in the marine sector of the economy in the half century following the decline of the planter fishery. The evidence that there was substantial capital export from the island (especially in the 1850's and 1870's) is inconclusive since we do not know what portion of that capital returned to Newfoundland in the form of productive inputs.<sup>20</sup> And as we have seen, the gradual dispersion of shipping tonnage in the later 19th century was not the only trend in evidence. The island's largest merchants retained a very high proportion of gross investment in shipping until the 1880's (Table 4); the total size of their investments reached a peak in the 1870's, as did the average size of their investments (Table 4); and gross investment in schooner tonnage by St. John's owners, and by the merchant class in particular, increased in every decade after the 1850's (Table 1).

The merchants of St. John's found adequate opportunities for investment in Newfoundland's maritime economy until the 1880's. Although capital may have been exported from Newfoundland, it is unlikely that the island was deprived of access to its own economic surplus. The traditional economy reached a crisis in the last two decades of the century, not because this economy had become seriously under-capitalized by this time, but because the returns to both capital and labour in the fisheries had collapsed. The real failure of capital investment in the marine sector of the economy came after this crisis, not before it. The maritime economy, it appears, had reached a point where continuing inputs of capital and labour, in their traditional forms, yielded rapidly diminishing returns. In the case of the seal fishery this was largely because the resource had been depleted. The limits to growth were much more complex in the other branches of the fishery, and here the structure of the household-based fishery was of central importance. Whatever the reasons for production and marketing problems in the fishery, it is clear that those problems had little to do with a shortage of capital investment before the 1880's.<sup>21</sup>

Table 7 provides some indication of the growth of shipping capacity available for both inshore and offshore fisheries. Antler has shown that the average capacity of boats in the inshore fishery declined slightly over the century.<sup>22</sup> This decline was more than offset by the growth of the schooner fleet after 1857 (Table 7). If there was any serious decline in the size of the offshore fleet relative to the size of the inshore fleet, that decline occurred between 1836 and 1845, and not in the later decades. Indeed, the schooner fleet appears to have grown more rapidly than the inshore fleet in the decades



after 1857. Unfortunately we do not know what proportion of the schooner fleet was used directly in production at any point in time. It is worth remembering, however, that the number of vessels used in the seal fishery and in the external carrying trades was declining. And it is clear that the growth of the schooner fleet in the 1870's was closely linked to renewed interest in the offshore bank fishery. It is not unreasonable to assume that the number of vessels used in production was increasing. Even if the proportion of all schooners so used remained constant, the trend indicated in Table 7 is clear enough: the ratio of available capacity to physical output increased substantially after 1857 in both the inshore and offshore fisheries. The evidence here does not suggest a shortage of capital investment. It is more likely that there existed considerable spare capacity and that the average productivity of vessels declined during the depression of the 1860's and never recovered.

TABLE 7  
CARRYING CAPACITIES (IN QUINTALS) OF  
THE INSHORE AND OFFSHORE FLEETS IN CENSUS YEARS

	1 INSHORE	2 OFFSHORE (SCHOONERS ONLY)	2/1	3 OFFSHORE TOTAL FLEET	3/1
1836:	100,385	645,020	6.4	908,540	9.1
1845:	155,839	482,620	3.1	928,320	6.0
1857:	194,055	442,880	2.3	1,406,440	7.2
1869:	207,259	727,820	3.5	1,288,520	6.2
1874:	268,184	840,260	3.1	1,417,940	5.3
1884:	338,602	1,345,480	4.0	1,767,860	5.2

	INSHORE CAPACITY AS % OF TOTAL QTLS. OF COD EXPORTED*	SCHOONER CAPACITY AS % OF TOTAL QTLS. OF COD EXPORTED
1836:	12.8%	82.3%
1845:	16.9%	52.5%
1857:	17.4%	39.6%
1869:	24.4%	85.8%
1874:	23.4%	73.3%
1884:	24.8%	98.5%

\*Figures for cod exports are 7-year averages centred on the census year.

Source: Census of Newfoundland; B.T. 107/108 ship registries; export figures from Shannon Ryan, "The Newfoundland Cod Fishery" (1971). Offshore capacities are calculated from an estimate of fleet size for each year, assuming a capacity of 20 quintals per ton. For the method of calculating fleet size see my "Sailing Ships and the Traditional Economy of Newfoundland."



The declining productivity of capital was undoubtedly more important in discouraging further investment than was the declining productivity of labour. This was not a wage economy, after all: the burden of any decline in labour productivity could be shifted onto the fisherman by adjustments in the price of supplies and subsistence. The merchant could do less about a declining return on capital investment. And capital inputs (in the form of vessels) were not declining in importance relative to labour inputs after 1857. If there was any serious decline in the ratio of capital to labour, it occurred in the 1840's and 1850's (Table 8) – although the extent of this decline is doubtful because there are obvious problems with the census data on labour in the fishery.<sup>23</sup> Both the inshore fleet and the schooner fleet grew more rapidly than the labour force after 1857. Only in the seal fishery was there a marked decline in the capital-labour ratio in the last four decades of the century, in spite of the addition of steamers.<sup>24</sup>

TABLE 8  
RATIO OF CAPITAL TO LABOUR IN THE FISHERIES

	1 PERSONS CATCHING AND CURING FISH	2 SCHOONER FLEET (TONS)	2/1	3 TOTAL FLEET (TONS)	3/1
1836:	17,317	32,251	1.9	45,427	2.6
1845:	18,503	24,131	1.3	46,416	2.5
1857:	39,805	22,144	0.6	70,322	1.8
1869:	37,259	36,391	1.0	64,426	1.7
1874:	45,845	42,013	0.9	70,897	1.6
1884:	60,419	67,274	1.1	88,393	1.5

	4 INSHORE FLEET (QUINTALS)	4/1	5 TOTAL NFLD. POPULATION	2/5	3/5	4/5
1836:	100,385	5.8	74,993	0.4	0.6	1.3
1845:	155,839	8.4	96,296	0.3	0.5	1.6
1857:	194,055	4.9	124,228	0.2	0.6	1.6
1869:	207,259	5.6	146,536	0.3	0.4	1.4
1874:	268,184	5.8	161,374	0.3	0.4	1.7
1884:	338,602	5.6	197,335	0.3	0.4	1.7

Source: Newfoundland Census; Antler, "Colonial Exploitation," 98-100; B.T. 107/108 ship registries.

The response of St. John's merchants to the growing crisis in the economy now becomes more clear. In response to the depression in all branches of the fishery in the 1860's, shipowners redirected their investments away from ocean-going square-riggers and the old square-rigged seal hunters. The influx of Welsh and English West Country vessels



into Newfoundland's cod trades dates from this period of retrenchment.<sup>25</sup> But the collapse of Newfoundland's ocean-going fleet did not mean the collapse of the local shipping industry. The merchants of St. John's redirected their investments toward steamers for the seal hunt, and toward schooners for the Labrador and bank fisheries. The increased investment in schooners began during the depression itself, in the mid-1860's. During the 1870's the schooner fleet continued to expand, and merchants attempted to shift some of the investment burden onto the state by ensuring the introduction of increased shipbuilding bounties.

By the 1880's it was clear that recent additions to the fleet were yielding rapidly diminishing returns. The productivity of steamers on the seal hunt (seals per ton of shipping) fell 21% below the level of the 1870's, and labour productivity fell by almost 30%. Returns on investment in the cod fishery collapsed in the late 1880's and 1890's, as prices and industry gross earnings fell by 32% and 36% within a decade.<sup>26</sup> The merchants of St. John's had attempted to restore profit margins after the 1860's by running down the ocean-going fleet, restructuring the sealing fleet, and increasing the inshore and offshore fishing fleets. The strategy failed because a new technology applied to the sealing industry caused a further depletion of the resource; and because the cod fishery could no longer be expanded by further inputs of men and boats alone.

The final response of the merchant-shipowner to this economic crisis was withdrawal from the industry. Several abrupt withdrawals followed the bank crash of 1894, itself a result of massive indebtedness by local merchants. But the process of withdrawal began before 1894, with the gradual decline of the ocean-going fleet from the 1860's, and with the negative growth rates for all vessels except schooners in the 1880's. The withdrawal from shipping coincided with the beginnings of a new development strategy for Newfoundland. This strategy followed a continental model of economic growth – agricultural and mining developments would be linked to a protected industrial base by railroad transportation.<sup>27</sup> The first steps in this strategy were taken by the merchant-shipowners in St. John's. The speed with which they absorbed this new development strategy suggests that many of these entrepreneurs did not lack vision and daring; it also suggests how eager they were to find alternatives to the maritime economy, whose problems they could no longer solve.

The merchant-shipowners of St. John's monopolized the directorships of manufacturing enterprises in the 1870's and 1880's. We do not know how much of the initial capital they contributed, but they were the major shareholders in several of the growing number of industries in St. John's.<sup>28</sup> Edwin Duder, A.W. Harvey, Charles Bowring, and W.H. Mare were major shareholders in Vail's Joint Stock Company in 1870; Moses Monroe, Charles Bowring and Robert Thorburn were founders and directors of the Colonial Cordage Company; the cooperages were run by Bowrings, Jobs, Tessiers, and J.W. Stewart; Charles Bowring, Robert Thorburn and Moses Monroe held shares in the St. John's Nail Manufacturing Company; the Floating Dry Dock Company of 1861 was the preserve of local shipowners, as was the Steam Tug Company. The tobacco and furniture factories were founded by A.W. Harvey and other shipowners. The largest shipowners were also directors of the utility companies and the banks. None of these ventures was



spectacularly successful, but most were safe investments. As their interest in bread, tobacco, rope, boots and furniture suggests, these entrepreneurs were interested in production where demand was inelastic or the market relatively stable. The investors in mining were somewhat more adventurous, perhaps, but again the size of investments is unknown. Several merchant-shipowners held shares in the successful copper mines of the 1870's, and the 1880's saw a small boom in mining speculations. Again shipowners were prominent among those applying for mining licenses.<sup>29</sup> By 1900 Bowrings held almost half of the shares in one of the more successful mining ventures, the Notre Dame Mining Company.<sup>30</sup>

The pioneers in the economic diversification of Newfoundland in the last quarter of the nineteenth century were usually St. John's merchants; but not all merchants were enthusiastic exponents of the new development strategy. These were merchant capitalists, after all, and not industrial capitalists. Confronted by a capital-intensive project, such as the railway, they divided among themselves; by the 1880's they could not raise the capital for such ventures within the island, even if they had wanted to.<sup>31</sup> The merchant capitalists turned to investments which they understood better, and depended increasingly upon their monopoly of the wholesale and supply business. The shipowner was not only a supplier of fishermen but a retailer, and his monopoly of the flow of goods and services increased. Table 9 provides one indication of the growing control of St. John's over the flow of imported goods into Newfoundland in the 1870's and 1880's, when the island's visible trade deficit increased to unprecedented levels. Over 80% of all cargo-carrying vessels entering Newfoundland came into St. John's harbour in these decades, and their cargoes then found their way to the merchant's warehouse or into the hulls of his schooners. The tonnage required to carry imports remained 30% to 40% greater than the tonnage of vessels clearing.

TABLE 9  
ST. JOHN'S SHARE OF SHIPPING TONNAGE  
ENTERING & CLEARING NEWFOUNDLAND PORTS WITH CARGO\*

	INWARDS			OUTWARDS		
	ANNUAL AVG. TONS	% OF NFLD. TOTAL	% CHANGE	ANNUAL AVG. TONS	% OF NFLD. TOTAL	% CHANGE
1857-59:	140,463	74.2		94,269	75.0	
1860-64:	115,843	73.1	-17.5%	69,298	71.4	-26.5%
1865-69:	100,882	69.5	-12.9%	61,014	70.7	-11.9%
1870-74:	154,031	81.1	+52.7%	92,355	78.9	+51.4%
1875-79:	224,486	83.3	+45.7%	145,970	81.4	+58.1%
1880-84:	257,155	83.3	+14.6%	179,713	83.5	+23.1%
1885-88:	247,163	81.9	-3.9%	180,890	86.3	+0.7%
1896-98:	281,766	75.8	+14.0%	214,041	74.0	+18.3%

\*Figures for 1878, 1884 and 1889 are missing: customs returns do not give entrances and clearances by port. Source: Customs Returns, *Journals of the House of Assembly*, Appendices.



The merchants' attitudes towards the local economy remained conservative and mercantilist. For Edwin Duder and his generation the fishery was not a processed food industry requiring skilled production and organized marketing. The fishery was a rich vein in the New World which produced a commodity for exchange in domestic and international markets. Fish was a form of bullion from the sea. The attitude is best expressed in a directive from Newman, Hunt and Company to their agents in Newfoundland: "we wish you to understand that our business in Newfoundland is not to buy Fish, but to sell Goods, and that we only take Fish in payment because the planters have no money to give us."<sup>32</sup> When the fishery failed to respond to the men and ships who worked it, it seemed that the vein must be exhausted and the merchants turned their attention to other items of commercial exchange.

The problem of capital shortage in the maritime sector of the economy was a consequence of this response by St. John's merchants to the crisis in the maritime economy. The collapse of capital investment is best illustrated by the fate of the bank fishery (Table 10). The total tonnage deployed in this branch of the fishery decreased at an astonishing rate, and the fleet remained very small in spite of remarkable increases in the productivity of vessels and men. The price for Newfoundland's new development strategy, it seemed, was a stagnating maritime economy. We must remember, however, that a shortage of capital was not the only problem in the maritime sector at the turn of the century. The roots of the crisis lay in production and marketing problems – the deterioration in the quality of Newfoundland's product, and the competition from cheaper foreign products – and these problems remained unsolved. Stagnation in the maritime economy did not originate in a failure of capital investment, therefore. The serious shortages of capital followed from the crisis of the 1880's and 1890's, and remained an obvious weakness in the maritime sector of the economy after the turn of the century.

TABLE 10  
OUTPUT & PRODUCTIVITY IN THE BANK FISHERY, 1889-1925

YEARS	ANNUAL AVG. NO. VESSELS	ANNUAL TONNAGE	NO. MEN	CATCH (QUINTALS)	QTLS. PER MAN	QTLS. PER TON	AVG. TONNAGE OF VESSELS
1889	330	18,890	4,401	238,821	54.3	12.6	57.2
1890-93: *	154	8,932	2,060	99,149	48.1	11.1	58.0
1896-99: *	70	3,158	913	71,241	78.0	22.6	45.1
1905-09: *	94	5,280	1,322	102,603	77.6	19.4	56.2
1910-14:	111	7,790	1,856	145,281	78.3	18.6	70.2
1915-19:	73	5,279	1,284	129,929	101.2	24.6	72.3
1920-25:	46	3,235	794	92,406	116.4	28.6	70.3

\* Figures for 1894, 1895 and 1906 are missing. Source: Customs Returns and Reports of Department of Marine and Fisheries, Journals of the Newfoundland House of Assembly, Appendices.



Was stagnation in the maritime sector the result of entrepreneurial failures? It is more likely that stagnation resulted from the absence of certain entrepreneurial functions: from the failure of the merchant capitalist to undertake the organization and regulation of production, and from the absence of any coordinated marketing procedures for the industry as a whole. In these respects the merchant firms were as ill-equipped to meet their twentieth century competitors as was the rest of the maritime sector. These entrepreneurs could not restructure an ancient industry, solve the intractable problem of deterioration in the curing process, regulate production over a few thousand miles of coast-line, and at the same time eliminate foreign competitors. This was not a task for any small group of 19th century merchants, even if they had understood the problems. The redirection of one's investments was the only rational course for the merchant-entrepreneur in the 1890's who sought to minimize his risks. A retail store, a bakery and a copper mine were security against further failures in the fishery; a chartered vessel spared the cost of buying one's own, and avoided the problem of finding year-round employment for the vessel; new resource industries expanded the market for imported goods, and gave cash rather than fish in exchange. The neglect and decline of Newfoundland's most valuable resource industry was fully consistent with the interests of the merchant class. There may be no specific lesson about entrepreneurship here; but there is a forceful reminder of the gulf that has existed between the private interests of this island's merchant community and the welfare of its major industry and its people.

## NOTES

1. On the fishery as a common property resource see H. Scott Gordon, "The Economic Theory of a Common Property Resource: The Fishery," *Journal of Political Economy* (April, 1954), 124-142. The basic work to date on the Newfoundland fishery in the 19th century is Shannon Ryan, "The Newfoundland Cod Fishery in the Nineteenth Century" (unpublished M.A. Thesis, Memorial University, 1971).
2. The most important business papers are the Job Family Papers and the Newman, Hunt and Company Records in the Provincial Archives of Newfoundland and Labrador (Newmans did not register many vessels in St. John's, however). See also the "Index to Mercantile Records held by the Maritime History Group," and the bibliography in Shannon Ryan, "The Newfoundland Cod Fishery."
3. The 65% must be taken as an estimate: see the note to Table 3.
4. Only 30% of the 385 new registrations between 1920 and 1926 were owned in St. John's.
5. On the rise and decline of the non-schooner fleet see my typescript "Sailing Ships and the Traditional Economy of Newfoundland; An Interim Report on Shipping Registered in St. John's from 1820 to 1889" (1977), available from the Maritime History Group. This is a first draft of a full-length work to be published by the Maritime History Group.
6. On the Yarmouth fleet see David Alexander and Gerry Panting, "The Mercantile Fleet and its Owners: Yarmouth, Nova Scotia, 1840-1889," *Acadiensis*, VII, No. 2 (Spring, 1978).
7. Between 1861 and 1891 Yarmouth town accounted for 27% to 30% of Yarmouth County population (I am indebted to Gerry Panting for these figures); St. John's accounted for 25% of Newfoundland's population in 1836 and 1857, and this proportion declined thereafter, to 18% in 1891.
8. These are exact figures, not estimates, since the problem of double-counting due to partnerships has been eliminated. The 12 largest owners of St. John's-registered tonnage were (in order from



smallest to largest): Edwin Duder Senior, St. John's; William Henry Ridley, Harbour Grace; Robert Grieve, St. John's; John Bowring, St. John's; John Rorke, Carbonear; Peter Germon Tessier, St. John's; Robert Thorburn, St. John's; Walter Baine Grieve, St. John's; Charles Bowring, St. John's; Stephen Rendell, St. John's; Walter Grieve, Grennock and St. John's; and John Munn, Harbour Grace. Munn alone owned 12,849 tons, or 10.4% of all tonnage owned by the 69 largest shipowners, and 4.1% of the entire fleet of vessels registered between 1840 and 1889.

9. Figures for the 1880's may understate the tonnage owned by those who held shares in 1000 tons or more, since there may be owners who would fall into this category if their post-1889 investments were included. The fall in average tonnage per investment in the 1880's (col. 2) would probably remain the same.

10. Average tonnage per *investor* (all owners) fell from 111 in the 1850's to 80 in the 1880's.

11. On productivity of vessels and men on the seal hunt, see my "Sailing Ships and the Traditional Economy of Newfoundland," chapter 4.

12. Many of the steamers were built in Scotland. The cost of a 1st class steamer in Greenock fell from £24 per ton to £17 per ton in the 1870's: *Fairplay*, 20 Nov. 1885.

13. *Chafe's Sealing Book* (St. John's, 1923), 17, 24.

14. Calculated from the lists of vessels departing for the seal hunt in the *Newfoundland Express*, March 11, 1857, and K.M. Coady, "The Seal Fishery in Harbour Grace, 1850-1892" (Maritime History Group Study paper, 1973).

15. I have calculated elsewhere that over 60% of available brigs and brigantines were probably used in external voyages in 1832, whereas about 46% of brigs and brigantines were so used in 1851: "Sailing Ships and the Traditional Economy of Newfoundland," 76-77.

16. Shannon Ryan, "The Newfoundland Cod Fishery in the Nineteenth Century" (paper presented to the Canadian Historical Association Annual Meeting, 1973), 26-7.

17. Steven D. Antler, "Colonial Exploitation and Economic Stagnation in Nineteenth Century Newfoundland" (unpublished Ph.D. thesis, University of Connecticut, 1975).

18. *Ibid.*, 20.

19. *Chafe's Sealing Book*, 38.

20. The evidence for a substantial export of capital is presented in Antler, "Colonial Exploitation," 127 ff. We do not know what portion of "capital export" returned to Newfoundland in the form of ships. But Newfoundlanders did purchase many vessels outside the island for use in the island's economy. In the 1850's as much as 50% of Antler's estimated "capital export" could be accounted for by the purchase of vessels.

21. Problems of production and marketing in the cod fishery are discussed in Shannon Ryan, "The Newfoundland Cod Fishery" (1971).

22. Antler, "Colonial Exploitation," 94-96.

23. Thus the proportion of the population engaged in catching and curing fish increased from 19% in 1845 to 32% in 1857. In spite of the expansion of the household-based fishery between these years, it is very unlikely that the labour force grew at this rate.

24. Thus the man-ton ratio on St. John's steam sealers increased from 56 men per 100 tons in the 1860's to 65 men per 100 tons in the 1880's; the ratio on Harbour Grace *sailing* vessels on the seal hunt in the 1850's was 38.5 men per 100 tons.

25. On the growing number of West Country vessels in the Newfoundland trade see Basil Greenhill, *The Merchant Schooners* (London, 1951), I, 18, 22, 23.

26. David Alexander, "Newfoundland's Traditional Economy and Development to 1934," *Acadiensis*, IV(1974), 62.

27. *Ibid.*, 67 ff.

28. Much of the information here on shareholdings and directorships comes from John Joy, "The



Growth and Development of Trades and Manufacturing in St. John's, 1870-1914," (unpublished M.A. Thesis, Memorial University, 1977).

29. Applicants for mining licenses are listed in *Journals of the House of Assembly*, Appendices. Among those applying for licenses in the early 1880's were John Butler Barnes, W.J.S. Donnelly, James Goodfellow, Moses Monroe, Stephen Rendell and John Steer. Most of the directors of the Notre Dame Mining Company in 1871 were shipowners: John H. Warren, Charles Bowring, Richard Harvey, M.H. Warren, Robert G. Knight.

30. Registry of Deeds, Companies and Securities; Registry of Companies, Confederation Building. File on Notre Dame Mining Company, drawer no. 35.

31. On the railway see J.K. Hiller, "The Railway and Local Politics in Newfoundland, 1870-1901" (paper presented to the Atlantic Canada Studies Conference, 1974).

32. Newman, Hunt and Co. to Newman and Company, Newfoundland; Newfoundland Letter Book 1858-1865, no. 41, f. 340. Newman, Hunt and Company Records, Provincial Archives of Newfoundland and Labrador. I am indebted to J.K. Hiller for this reference.







9. "AN ENGINE, YET MODERATE":  
JAMES PEAKE, ENTREPRENEURIAL  
BEHAVIOUR AND THE SHIPPING  
INDUSTRY OF NINETEENTH CENTURY  
PRINCE EDWARD ISLAND

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"AN ENGINE, YET MODERATE": JAMES PEAKE,  
ENTREPRENEURIAL BEHAVIOUR AND THE SHIPPING INDUSTRY OF  
NINETEENTH CENTURY  
PRINCE EDWARD ISLAND

Lewis R. Fischer

James Peake emigrated from Plymouth, England to Charlottetown in 1823; two years later, he purchased his first sailing vessel, the 121-ton brig *William* from her builder, Joseph Hodges of Rustico. Prior to Peake's death in 1860,<sup>1</sup> he was listed on registries as the owner of 151 additional vessels; in all but five cases, he was the sole proprietor.<sup>2</sup> His investments marked him as one of the largest owners of shipping in eastern Canada during the first half of the nineteenth century. In addition to shipholding, Peake also engaged in several other activities which related to his maritime interests. He owned several stores which sold the goods imported on his vessels, acted as a broker for marine insurance, and operated a ship chandlery and outfitting business, as well as dabbling in assorted other mercantile activities.

There can be little doubt that James Peake was a successful merchant, but in this paper I would like to deal with a slightly different concept – entrepreneurship. Peake's definition of his own role in helping to shape a viable economic community on Prince Edward Island suggests that he viewed himself, albeit modestly, as more than just another businessman. "My task," he wrote to his agent in Newfoundland, Laurence O'Brien, "is to set an example and to encourage others to plan and build for the future in this place. Tho' others will no doubt have more capacity, still I feel it is my place, if I may say it, to be an engine, yet moderate."<sup>3</sup>

"An engine, yet moderate" – this is a description of more than just an average businessman. But is it a definition of an entrepreneur? If not, how can we more adequately define the term? Was James Peake, for all his investments, business activities, and "visions," an entrepreneur? What roles did entrepreneurs play in the Maritimes in the nineteenth century? It is to these questions that this paper will be addressed.

(I)

A logical place to begin our inquiry is with the problem of defining the term. Few would accept Peake's statement as a definition of an entrepreneur, in large part because of its imprecision. Yet a review of the literature reveals that few scholars have been much more helpful in providing a working criterion. "Entrepreneur" would appear to be one of those concepts, such as "power," "class," or "democracy," for which few writers, and even fewer historians, have felt compelled to provide definitions. Instead they have



assumed that its use would evoke a shared response among readers. A recent study, however, has called this assumption into question, revealing that "entrepreneur" is frequently interpreted within an emotional context and is quite capable of inspiring a wide variety of meanings.<sup>4</sup> For the sake of clarity additional precision is required.

Since entrepreneurship as a concept is most commonly applied within an economic context, it is not surprising to find that the vast majority of the extant definitions have issued from the pens of economists. Perhaps the most widely-accepted explanation of the term is similar to the one provided by the editors of *A Dictionary of Economics*, who wrote that an entrepreneur is "the name given in economic theory to the owner-manager of a firm."<sup>5</sup> This tendency to equate "owner-managers" with "entrepreneurs" is not very satisfactory, however, for it suggests that all owner-managers are by definition entrepreneurs. Yet even without a more precise meaning such a statement violates general thinking on the topic. Rockefellers, DuPonts, Carnegies, and Morgans may be entrepreneurs, but few would so call the owner of a typical franchised convenience store down the street.<sup>6</sup>

Some economic theorists have attempted to be more rigorous in dealing with the concept. A generalized critique may be directed against most such definitions. Economists have tended to think in strictly material terms, arguing that entrepreneurs only exist within the economic sphere. But is it not possible to envision a non-economic entrepreneur? Is profit necessarily the only goal toward which an entrepreneur might direct his energies? Further, most such definitions are ahistorical, derived from certain assumptions about the nature of twentieth-century Western capitalism. Finally, most economic explanations have attempted to delineate entrepreneurs by the identification of a particular status. Thus an entrepreneur is frequently equated with an owner, a capitalist, an investor, or an impressario.<sup>7</sup>

An excellent example of this variety of thought can be found in the work of the most important theorist on the topic, the late Joseph Schumpeter. In his magisterial trilogy on economic growth, Schumpeter attempted to lay bare the bones of his concept of entrepreneurship.<sup>8</sup> An entrepreneur, he argued, was an owner-manager "who innovated," a process which he defined solely in relation to control over the production function.<sup>9</sup> But it was a limited kind of innovation: one which bore no risks, an exercise which he reserved instead for the capitalist.<sup>10</sup> Clearly, the Schumpeterian model, based upon status, was both ahistorical and culture-specific.

Still, it was at least more precise than the definitional constructs which preceeded it. On the other hand, Schumpeter's work had a decidedly negative side. So imposing was his thought that a generation of students of entrepreneurial activities found themselves circumscribed by the great man's paradigm. Even economists such as Bert Hoselitz and Leland Jenks, both of whom authored vigorous critiques of his work, were unable to transcend the Schumpeterian system.<sup>11</sup> Likewise, scholars from other branches of the social sciences were forced to work within the paradigm, including the eminent sociologist, Paul Lazarsfeld.<sup>12</sup>



Shortly after the conclusion of the Second World War, the first signs of an impending crisis within the paradigm began to appear.<sup>13</sup> Much of the impetus toward change came, surprisingly, from an historian, Thomas C. Cochran. Drawing upon an extensive reading of new theorizing in sociology and psychology, Cochran suggested that the use of role as a defining medium would be helpful in delineating criteria for the term. This was an important breakthrough since role, the behaviour exhibited by the occupant of a particular status, allowed for the possibility that an entrepreneur could occupy a status other than that of owner-manager.<sup>14</sup> In addition, the application of this concept promised to provide a more vigorous and precise definition, since it provided the opportunity to study behaviour in an entrepreneurial situation rather than simply focussing on the behaviour of an individual of a given status. Unfortunately, Cochran did not himself provide such a model, probably because his studies of business leaders were concerned with deviance rather than role definition.<sup>15</sup>

Despite this promising beginning in the direction of a new orientation, it was not until 1961 that what might be termed a "paradigm revolution" occurred.<sup>16</sup> In *The Achieving Society*, the psychologist David C. McClelland constructed a model which opened the possibility of new insights into entrepreneurship. Based upon a definition of role behaviour, it was at once historical, cross-cultural and non-economic. The new model also re-introduced the element of risk, recognizing that truly new endeavours carry with them the possibility of failure.<sup>17</sup> McClelland was primarily concerned with explaining the origins of entrepreneurial behaviour. Since our concern here is with providing a definition, I have revised his model slightly to place a greater emphasis on behaviour rather than motivation. Figure 1 depicts this model schematically.

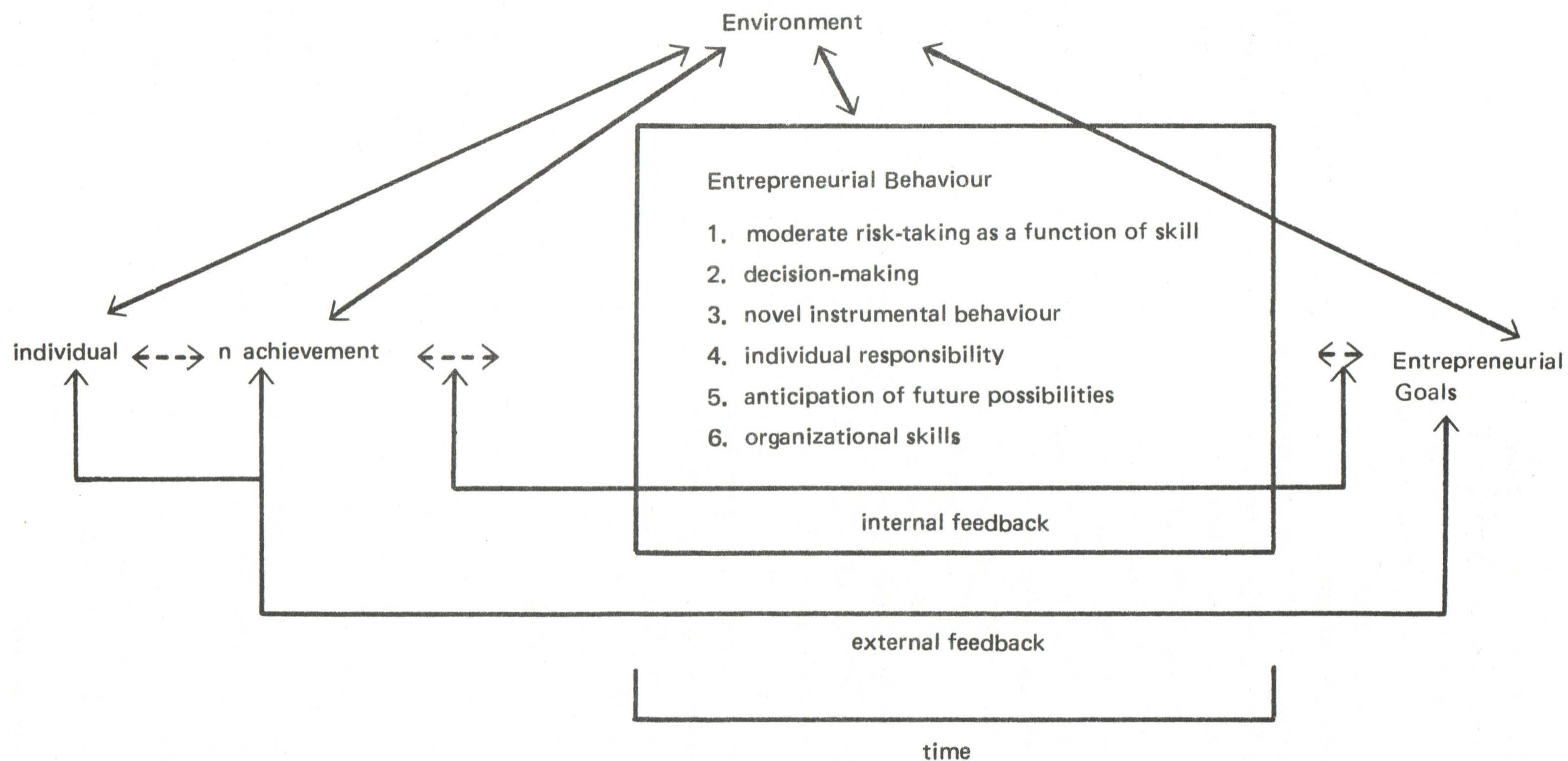
Some explanation is required before we apply the criteria derived from the model to a study of James Peake. First of all, the model suggests that an individual who demonstrates entrepreneurial behaviour operates within an environment. As McClelland has shown, some sets of political, economic, social or moral conditions are more conducive to entrepreneurial behaviour than others.<sup>18</sup> In order to utilize the model, however, we must correctly identify the immediate environment, a task which involves a certain amount of difficulty. For example, while James Peake conducted his business from Charlottetown, he also operated within a larger North Atlantic economy. The risks which he took and the behaviour which he exhibited will be evaluated differently depending upon the context in which we place them. Clearly, certain forms of behaviour which would be commonplace in the United Kingdom would be highly innovative and/or risky when undertaken from Prince Edward Island. I have chosen the latter as his primary environment; in systems terms, the larger North Atlantic economy thus becomes a supra-system.<sup>19</sup>

Within the constraints of the environment, certain individuals develop a greater degree of what McClelland termed "n achievement."<sup>20</sup> The reasons for this selective process need not concern us here; instead, we should simply recognize that the concept represents a relative drive for some sort of goal-attainment, such as the accumulation of wealth, power, status, satisfaction, or the like. This drive for certain goals is what actuates



Figure 1

## ENTREPRENEURIAL BEHAVIOUR MODEL





entrepreneurial behaviour; the broadening of goal-definitions is useful because it helps us to understand entrepreneurial behaviour directed to attainments other than the accumulation of profits.

I have chosen six dimensions which seem to characterize entrepreneurial behaviour. As with the selection of environment, all are to some degree relativistic: one man's risk, for example, may seem normal procedure to another. As McClelland has demonstrated, however, it is possible, given the right kind of data, to construct an index to measure this behaviour empirically.<sup>21</sup> The material we possess on Peake is far too sketchy for such an operation; instead, the analysis adopted here will necessarily be based upon common sense.

The first criterion of entrepreneurial behaviour is that it is characterized by risks. But some qualification is necessary. The risks must carry with them some probability of success; that is, they must be moderate. Excessive risk-taking is more properly called speculation; the avoidance of risks characterizes ultra-conservative management. Further, the probability of success must be a function of skill rather than chance. To be called an entrepreneur, an individual must be able to exercise some control over the outcome of a risk. If he depends solely upon chance to determine the results, he would more properly be identified as a gambler.<sup>22</sup>

The other dimensions are highly correlated with the first. The second suggests that to be called entrepreneurial the actor must have some key role in the decision-making process. An entrepreneur need not initiate the process, but if he is excluded from it he cannot be said to be engaging in entrepreneurship. In addition, we can derive from the first dimension that the decision-making process should be understandable; that is, it should be seen to be based upon available information and skill.<sup>23</sup>

The third characteristic of entrepreneurial behaviour is what McClelland called "novel instrumental behaviour."<sup>24</sup> In some ways this concept comes close to Schumpeter's idea of "innovation," but with one critical difference. Where Schumpeter's definition stressed economics and status, this concept is based upon behaviour. "Novel instrumental behaviour" need not be limited to control over the production function; instead, it is distinguished by evidence of performing an activity in new or better ways. An individual who performs in traditional ways is by definition not an entrepreneur.<sup>25</sup>

Entrepreneurial behaviour also implies a degree of individual responsibility. An entrepreneur need not be in complete control, but he must have some freedom of scope to initiate action and to bear responsibility for it. A junior clerk is not likely to be an entrepreneur, but a business, for example, may contain one or more entrepreneurs who are not necessarily owners.<sup>26</sup> Closely related to this, the fifth criterion suggests that an entrepreneur must have some anticipation of future responsibilities. In other words, an individual must have some conception of the possible outcomes of his activities. The mere acts of risk-taking or adapting new behaviours are insufficient if the person is unable to envision possible results. This dimension is in many ways closely analogous to the modern planning function.<sup>27</sup>

Finally, an entrepreneur must exhibit some organizational skills. While this might seem close to the management function, there is a critical difference. An entrepreneur



need not be able to oversee the day to day operations of a business, but he must be able to organize the various parts of the whole sufficiently to enable him to carry out his entrepreneurial decision. Obviously, the expertise required will vary directly to the complexity both of the decision and the organization.<sup>28</sup>

The model also suggests that the entrepreneur will receive some kind of feedback; a monitoring device, if you will, to enable him to evaluate his success at attaining the desired goal. The type of feedback mechanism is of little importance; similarly, for our purposes it matters little whether the individual responds to these signals. All that is important is that the individual have some method of measuring the outcome. If he has none, his activities are reduced to gambling.<sup>29</sup>

One final proviso: we should bear in mind that entrepreneurial behaviour need not be successful. Indeed, such activities often end in failure; if they did not, one could hardly argue that risk had been involved. All that is necessary to identify entrepreneurial behaviour is that an individual fills a role characterized by the model. The attainment of goals is not important to identification of entrepreneurs.

## (II)

At first glance, James Peake does not seem to meet the criteria suggested by the entrepreneurial model. An analysis based upon the gross characteristics of his shipowning, for example, conveys the impression of a rather cautious individual whose behaviour seems to be imitative rather than unique. Peake appears to be primarily a shipbroker, a middleman between shipbuilders on Prince Edward Island and potential buyers, especially in the United Kingdom. By the time Peake arrived on the Island, this activity had been well-refined. The risks were limited primarily to the ever-present danger of shipwreck or the possibility of low market prices on vessels consigned for sale. While little could be done about the former, prudence in judgement combined with good contacts at the point of sale could minimize the latter.

The vessels owned by Peake tended to be small. Although they were consistently above the average vessel size for the Island fleet as a whole, they fell substantially below the mean for the other major investors operating on Prince Edward Island during his lifetime. Over half of the vessels in which he held shares were schooners; schooners and brigantines together accounted for almost two-thirds of the Peake fleet. While this percentage was roughly identical to the proportion of these vessels in the fleet as a whole, it differed substantially from the holdings of the other investor of comparable stature during the period, James Yeo of Port Hill, whose holdings were approximately 90% in large vessels.

The smaller vessels accounted for less of the tonnage than their numbers would indicate, however. Only in the 1840's did schooner and brigantine tonnage combined reach 50% of the total. Over the period, brigs and barques, although far less numerous, accounted for equally as much tonnage as the smaller vessels. This picture of Peake's investment pattern is little altered if we shift the analysis to tonnage class. Almost



two-thirds of his investments were in vessels of between 100 and 249 tons, which again paralleled the structure of the Prince Edward Island fleet as a whole. Craft of this size were easy for the Islanders to both construct and market, so their predominance occasions little surprise. About a sixth of his holdings were in vessels in excess of 250 tons; this was a higher proportion than the fleet as a whole, but unremarkable considering Peake's status as a shipbroker.

TABLE 1  
PEAKE REGISTRATIONS

RIG	N	%	TONNAGE CLASS	N	%
Schooners	77	23	10 – 49	5	3
Brigantines	23	15	50 – 99	25	16
Brigs	30	20	100 – 149	34	23
Barques	19	13	150 – 249	64	42
Ships	2	1	250 – 499	21	14
Steam	1	1	500 – 999	3	2
Total	152	100	Total		

Source: BT 107 and 108 (Prince Edward Island Shipping Registries).

TABLE 2  
PEAKE INVESTMENTS BY DECADE\*

DECADE	SCHOONERS		BRIGANTINES		BRIGS		BARQUES		SHIPS		STEAM		ALL	
	N	Tons	N	Tons	N	Tons	N	Tons	N	Tons	N	Tons	N	Tons
1820-29	17	7	—	—	66	68	17	25	—	—	—	—	6	1064
1830-39	65	45	4	3	18	20	4	8	9	24	—	—	23	4343
1840-49	51	35	16	15	20	23	12	24	—	—	1	1	75	13097
1850-59	48	31	21	17	14	19	17	33	—	—	—	—	48	8433
Totals	50	35	15	13	20	23	13	25	1	4	1	—	152	26937

\*Rig Columns expressed as percentages. Source: BT 107 and 108.

If we analyze the reasons for registry closure we can observe that Peake did in fact function as a broker. As Table 3 shows, the vast majority of Peake-owned vessels had their Island registries closed because of sale or transfer; a violent end was extremely rare, with less than 5% of registries closed because of marine disasters. Further, a sizeable majority (82%) of all vessels were transferred to new owners in the United Kingdom, a figure which surpasses by far the PEI average (48%, 1820-1860).

Further, the mean registry life expectancies (number of years actually on registry at Prince Edward Island) were extremely low for Peake's vessels; in almost all cases, they were lower than for the Island fleet as a whole in comparable decades. The only consistent exception is for brig-rigged vessels, a point to which we will return later.

While a macro-view of Peake's holdings fails to reveal much evidence of entrepreneurial activity, a micro-view suggests a different conclusion. We can see



numerous examples of risk-taking and novel instrumental behaviour, and this analysis provides a sharper focus for an understanding of Peake's activities.

TABLE 3  
PEAKE INVESTMENTS BY DECADE AND TONNAGE CLASS\*

DECADE	1-49		50-99		100-149		150-249		250-499		500-999		ALL VESSELS	
	N	Tons	N	Tons	N	Tons	N	Tons	N	Tons	N	Tons	N	Tons
1820-29	—	—	17	7	33	25	33	43	17	25	—	—	6	1064
1830-39	—	—	18	9	39	27	26	26	13	24	1	13	23	4343
1840-49	3	1	17	7	19	13	47	49	13	26	1	4	75	13097
1850-59	6	1	14	5	19	14	44	45	14	28	3	7	48	8433
Totals	3	1	16	7	23	16	42	43	14	27	2	6	152	26937

\*Ton Columns expressed as percentages. Source: BT 107 and 108.

TABLE 4  
REASONS FOR REGISTRY CLOSURE

DECADE	TRANSFERS		DENOVO	MARINE DISASTERS	TOTAL
	TO U.K.	ELSEWHERE			
1820-29	6	0	0	0	6
1830-39	21	0	1	1	23
1840-49	60	6	6	3	75
1850-59	37	3	5	3	48
Totals	124	9	12	7	152

Source: BT 107 and 108.

TABLE 5  
MEAN REGISTRY LIFE EXPECTANCY\*

DECADE	SCHOONERS		BRIGANTINES		BRIGS		BARQUES		SHIPS		STEAM		ALL VESSELS	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
1820-29	2.00	2.79	—	2.87	2.75	2.12	2.00	3.28	—	6.00	—	—	2.50	2.71
1830-39	1.80	2.91	5.00	3.14	2.50	2.07	1.00	3.40	2.00	5.25	—	—	2.04	2.77
1840-49	2.54	2.60	1.75	1.82	2.20	1.99	2.44	2.79	—	1.80	5.00	5.00	2.36	2.24
1850-59	2.48	2.76	1.40	2.10	3.43	2.09	1.86	2.67	—	3.09	—	15.0	2.30	2.76

Note: (1) indicates Peake Vessels; (2) indicates PEI fleet. Source: BT 107 and 108.

James Peake obtained his vessels primarily from builders on Prince Edward Island. Only five of the 152 vessels in which he participated in ownership were built off the Island: three in England, and one each in New Brunswick and the United States. At least forty-nine different builders constructed vessels for Peake, and some can be identified as primary suppliers: Joshua Durang in Rustico, John Pippy on the Hillsborough River, and the Orrs at both New Glasgow and Rustico. Peake frequently advanced large sums of money for the construction of his vessels, a practice which seems to have been fairly



common among large owners.

However, it was in a different part of the shipbuilding process that Peake would appear to have been engaging in entrepreneurial activity. Material in Peake's letterbooks allows us to determine that he frequently lent money for the construction of vessels for other owners, taking mortgages in return. From comments in some of the letters, it would seem safe to assume that in this practice Peake was an innovator, lending funds when others drew back. For example, in 1835 Peake provided funds for the building of the schooner *Malvina* owned by Roderick and John MacDonald. In advancing the funds for this vessel, Peake noted that the materials for her construction had not yet been obtained.<sup>30</sup> Had the MacDonalds been less honest, Peake could conceivably have lost the money advanced, since he seemed not to have asked for any additional security beyond the vessel itself.

Peake's mortgage activities increased over time. In 1846, for example, he held what he described as "large mortgages" on David Dingwell's schooner *Margaret* and Lemuel Cambridge's brig *Caroline*.<sup>31</sup> The next year his eleven mortgages included the barque *Free Trader* owned by William and Andrew Bell of New London. From his letterbooks it is possible to calculate the minimum numbers, although not amounts, of Peake's mortgage-holdings on vessels for the periods 1835-37 and 1845-50.

TABLE 6  
PEAKE VESSEL MORTGAGES

YEAR	MINIMUM NO. VESSELS	TONNAGE	YEAR	MINIMUM NO. VESSELS	TONNAGE
1835	3	147	1847	11	1381 (1403)*
1836	3	198	1848	13	1801
1837	5	809	1849	6	946
1845	11	1437	1850	2	229**
1846	8	1200	—	—	—

\*One vessel in 1847 is identified only by name, but there were two vessels of that name registered in the year. \*\*The letterbooks for the year are complete only through July, so this figure probably understates his actual mortgage activity for the year. Source: Peake Papers.

The increased level of lending activity obviously heightened the risks for Peake. In addition to the dangers posed by defaults, his practice of lending sums on vessels not yet begun placed him in an even less secure position. He may have been fortunate to escape losses in these cases, but since his papers are silent on the topic we have no way of knowing. As his sums outstanding rose in the mid-1840's, he also began lending funds on a greater number of vessels outside the favoured 100-249 ton class. In 1837 all of his mortgages were for vessels of this size, but in 1847 only one vessel fit this designation.

If the contract called for repayment only after the vessel was sold, Peake's risk factor was even higher. Occasionally he had to endure great anxieties over such transactions. For example, in 1847 William and Andrew Bell borrowed from Peake to



finance their barque *Free Trader*. They planned to sell it in England, repaying Peake out of the proceeds. To speed this process, Peake put them in touch with his Liverpool agents, Joseph Cannon and Son, who were primarily shipbrokers. At the same time, he wrote personally to the Cannons, urging them to dispose of the vessel as soon as possible. Peake's displeasure was obvious when the Cannons later informed him that rather than consigning the vessel for sale, the Bells had chartered her for a voyage to Shediac, New Brunswick. In an attempt to protect himself against possible disaster, Peake instructed the Cannons to procure insurance on the vessel, chargeable to him. There is no evidence to suggest whether Peake was ever able to collect the insurance premium from the Bells, but his expressions of relief upon learning that the barque had finally been sold were unmistakeable.<sup>32</sup>

Figure 2 depicts this example of entrepreneurial behaviour. We have discussed the risks involved and the novel behaviour exhibited. The other four dimensions need only be briefly mentioned. The decision to lend funds appears to have been made by Peake alone. This was characteristic of his decision-making, although he occasionally may have consulted his brother Thomas in Plymouth or one of his agents, such as the Cannons in Liverpool, John Hall in Newcastle, John Pitcairn in London, the Mullochs in Limerick or Thomas Bolton in Halifax. Since he apparently was lending his own capital, he took a good deal of individual responsibility. With the increase in monies lent throughout the 1840's, it appears safe to assume that the future possibilities anticipated were further lending. His organizational skills included dividing his capital in such a way as to allow sufficient cash for his own outlays on vessels and goods; in addition, as the case of the Bells demonstrates, he also was able to make use of his contacts in the United Kingdom to assist his debtors to sell their vessels and speed up repayment.<sup>33</sup>

As we indicated earlier, Peake generally operated as a shipbroker. He purchased vessels and speedily consigned them for sale, generally in the United Kingdom. But despite a willingness to dispose of these assets, at any one time he generally had a large fleet available for cargo. In some cases the explanation for the retention of a vessel was simply that the markets were not favourable. Instead of consigning the vessel immediately, he often postponed that decision for a year or two. An example was the schooner *Stella*, a 169-ton craft which Peake had hoped to market in 1846 through John Hall in Newcastle. When Hall informed him that the market was so low that he would be lucky to receive £5 per ton rather than the £5/10 to £6 he hoped for, Peake decided to use the vessel himself for a period. He eventually chartered her to other owners, finally consigning her to Hall the next year.<sup>34</sup>

There were a number of vessels, however, which Peake appeared to want to keep right from the beginning. Most of these vessels were brigs, a not surprising fact when the mean registry life table is recalled (see Table 5). Brigs were the one vessel type for which Peake's retention period exceeded the fleet average, which was an indication that he treated vessels of this rig differently. In fact, the average period for the retention of brigs is understated by the table. Using other sources, it is possible to determine that Peake probably retained more of his brigs, even though they were transferred. During Peake's



Figure 2

**ENTREPRENEURIAL BEHAVIOUR: PROVISION OF MORTGAGE CAPITAL \***

N Achievement = drive for profits →

1. Risks = provision of mortgage capital, occasionally unsecured.
2. Decision-making = probably unitary, but perhaps some input from agents.
3. Novel instrumental behaviour = appears to be first large scale lender in PEI.
4. Individual responsibility = initiates decision to lend, uses own funds.
5. Anticipation of future possibilities = increase in levels of lending through 1840's.
6. Organizational skills = provision of excess capital, aid in marketing vessels to insure faster repayment.

\*This figure is an example of analysis based upon the model. Since future analyses will not be depicted, the reader may wish to refer to this diagram for a schematic depiction. Source: see text.



life, twenty-eight vessels were transferred by him to Plymouth, but it seems unlikely that many of these left Peake's ownership. Occasionally they may have been transferred to Peake's father or brother, but even in those cases the owner listed in Lloyd's or on crew agreements was invariably James Peake.<sup>35</sup> Needless to say, most of these twenty-eight vessels were brigs: twenty-two to be precise. Figure 3 shows the Peake fleet, as well as adjustments to account for those vessels probably on the Plymouth registry. His fleet reached a high point of slightly over four thousand tons in 1847, although the Plymouth holdings would raise it by about one thousand tons.<sup>36</sup>

Other Island merchants and shipowners had large fleets, however, so the mere fact that Peake owned a large volume of tonnage was not unusual. Although he probably owned more brigs than any other owner, this in itself would not necessarily reflect entrepreneurial behaviour. If, however, he utilized his vessels in a markedly different manner than other owners, he might well be acting as an entrepreneur.

Peake employed his vessels in a variety of ways. The most common trade route for a Peake vessel was the North Atlantic, usually between Prince Edward Island or a New Brunswick timber port and either Liverpool or Plymouth. This, of course, was the heaviest trade route for most Island shipowners; Peake's only novel contribution was the high use of brigs. One of these vessels, the *Florence*, regularly made twice-yearly voyages to Quebec, generally under Peake's name, although occasionally he chartered the vessel to William Stevenson, one of the more important Quebec merchants and an individual whom Peake used to conduct his business transactions at that port.<sup>37</sup>

Peake also used vessels to engage in the coastal trade, the other favourite occupation for Island-owned vessels. He was active in trade with various New Brunswick ports, particularly to Shemogue and Shediac, where he operated through Avard and Son and Wellington Gilmore respectively. Trade with these ports, of course, not only provided outlets for Island agricultural produce but also served as convenient points to pick up timber cargoes for trans-Atlantic voyages. He also dispatched occasional schooners to both the United States and the West Indies. In the late 1840's, for example, two schooners were used for these voyages from May to November.<sup>38</sup>

But Peake's primary interests in the coastal trade were Nova Scotia and Newfoundland. Halifax was an important destination for obvious reasons: the port was a trans-shipment point for numerous goods shipped from England and Europe for North America. Peake had business connections there not only with Bolton but also with a number of other merchants, including the powerful Cunard family.<sup>39</sup> As important as Halifax was, however, it was dwarfed by Peake's interest in Cape Breton and Pictou. He regularly used most of his schooner fleet on these runs, bringing coal not only to Prince Edward Island but also to Newfoundland and New Brunswick. Island shipowners achieved a dominant position in this trade in the 1840's and 1850's; Peake was one of a number of shipowners who were involved.<sup>40</sup>

A similar situation pertained regarding Newfoundland. The Islanders were dominant in the carrying trade of provisions through the middle of the century. The primary method of shipping provisions to that colony was through the use of vessels consigned for



Figure 3

THE PEAKE FLEET, 1825-1860\*



\*Adjusted tonnage includes vessels on Plymouth registry. See footnotes 35 and 36 for a more thorough discussion of the methodology employed for estimating the adjusted fleet size. Source: BT 107 and 108.



sale at St. John's or other ports. Since Peake sold few of his vessels to Newfoundland, he was relatively less important in this trade than some other owner-brokers. However, his coastal schooners regularly called there, and his letters to Laurence O'Brien, his St. John's agent, betrayed a vital interest in the development of further commercial intercourse between the two islands.<sup>41</sup>

Within the general rubric of coastal trade, Peake did engage in some activities which might be called entrepreneurial. For example, in the 1840's he used at least eight of his schooners in an attempt to exploit the fishery in the Gulf of St. Lawrence. The fishery was a traditional activity in which the Islanders always placed great hopes, but through mid-century it remained underdeveloped. Owners with large accumulations of capital seldom ventured into this field, and as a result the fledgling fishery was dominated by tiny producers using small boats. Peake felt, however, that larger inputs of capital combined with the marketing contacts which he possessed might lead to the founding of a dynamic industry. Unfortunately, we are privy only to sketchy details of Peake's venture, but in 1846 he lamented to Thomas Bolton that he was "now inclined to think that the speculation in the fisheries will turn out a profitless affair."<sup>42</sup> He does not appear to have employed any vessels in the fishery on a regular basis after 1847, but his attempt to exploit this natural resource was unique.

Peake also used the resources at his disposal to engage in entrepreneurial trading ventures when conditions warranted. His extensive network of agents allowed him to pinpoint his sales efforts, a technique which does not appear to have been mastered by other Island owners for whom we have data. During the summer of 1845, for example, his contacts in Nova Scotia and New England warned him that the potato crop in those areas was likely to fail. He used this information and bought potatoes on Prince Edward Island, where the crop was bountiful. Using his own vessels plus some chartered American schooners, he shipped "vast quantities" of the root crop to Halifax and Boston. Unfortunately, his astute decision does not appear to have been profitable, since he later complained that "none of the crop arrived in a wholesome state."<sup>43</sup> Undeterred, he made plans to charter additional vessels in the spring, when he had reason to believe that prices might be even higher, since the high demand in Nova Scotia was unlikely to have abated. He expected little competition from other Island shippers, since he believed that it was "questionable if there will be a Bushel of perfectly sound potatoes on the Island" at that time.<sup>44</sup>

Such behaviour differed from that displayed by other Island shipowners both in the precision with which Peake was able to operate and in that it was repeated on a number of occasions. As early as 1837 we can document a successful venture of this type regarding the shipment of oats to New Brunswick and Nova Scotia.<sup>45</sup> Peake also mentioned that a similar venture, this time involving potatoes, had been successful to the Miramichi in 1842.<sup>46</sup> Occasionally, though, his plans failed, as with his attempt to supply the Halifax market with flour and potatoes in the spring of 1847. A shortage of these commodities had developed, and Peake sent an initial shipment of seven hundred bushels of flour and three thousand bushels of oats to the Nova Scotia capital. This time his



expectations of large profits were foiled by the arrival of large shipments from the United States, which depressed the market just before Peake's schooner arrived. "This speculation," he complained to Bolton, "seems to be as profitless as the one in fish."<sup>47</sup>

One additional example of entrepreneurial behaviour in the coastal trade should suffice. Throughout the 1840's, Peake had been exchanging observations with Thomas Bolton about the future of steam vessels. Repeatedly, Peake expressed interest in purchasing a steamer, at one point prophesying that such a vessel would probably clear "at least £100 per month on the run from Pictou to Charlottetown."<sup>48</sup> Finally, in 1849 he purchased and registered the first steam vessel owned on Prince Edward Island, the 57-ton auxiliary steamer *Rose*. His brother Thomas may have obtained the vessel for him, since the craft was previously registered at Plymouth. It was used on the Pictou run, although whether it generated the expected profits is not known. When Peake decided to sell her in 1853, the Cunards of Halifax were the purchasers.<sup>49</sup>

James Peake also engaged in behaviour which can be classed as entrepreneurial in his choice of trade routes in other parts of the globe. Based on a sampling of newspaper entrances and clearances and crew agreements contained in the BT 98 series, it appears that Island owners were not a particularly adventuresome lot in the 1840's and 1850's. Almost all the "deep-sea" trading voyages undertaken by Island-owned vessels in these two decades were on North Atlantic routes. In part, this can be explained by the constant traffic of vessels bound for sale in Great Britain. Even excluding these trips, however, it is clear that most Island owners preferred the safe, well-known North Atlantic trade.

As Table 7 indicates, Peake did not eschew this trade route; indeed, it formed the backbone of his deep-sea trading ventures. But unlike his contemporaries, Peake recognized that there was money to be made in the crosstrades. This was not a startling discovery, to be sure; English owners had long recognized this fact. Within the context of Island society, however, Peake appeared to be the first to have taken the risk. In 1848-49, for example, he sent the *Concordia*, a 412-ton barque, on a voyage to Sierra Leone. In 1850 the schooner *Collina* was dispatched to the Mediterranean, calling at ports such as Naples, Gallipole, and Alexandria. Most of the vessels utilized in these ventures were, not surprisingly, brigs. The 296-ton brig *Fanny* traversed the Mediterranean regularly between 1850 and 1856. The *Sea Nymph*, a 247-ton brig, undertook a voyage to Egypt in 1852, sailed from Liverpool to the West Indies the next year, and between 1854 and 1856 was engaged on a world cruise, calling at ports in South America, Oceania, and Asia.<sup>50</sup>

TABLE 7  
PEI DEEP SEA TRADING VOYAGES, 1845-1855

YEARS	N	OTHER ISLAND OWNERS % NORTH ATLANTIC	% OTHER	N	JAMES PEAKE* % NORTH ATLANTIC	% OTHER
1845-49	124	94.4	5.6	35	65.7	34.3
1850-55	173	94.2	5.8	39	56.4	43.6

\*8 of the 74 Peake voyages list Thomas Peake as managing owner. Source: BT 98, *Islander*.



Peake's maritime activities were not confined to the building, consigning, or managing of vessels, however. He also engaged in a number of related activities, most of which were profitable and some of which were entrepreneurial. Recognizing that the provision of insurance was a necessity, he became the Charlottetown agent for several marine insurance companies. Prior to the 1850's, Charlottetown possessed no marine insurance companies of its own. Most owners purchased insurance abroad, generally doing so only for their own vessels. Peake's entrepreneurial behaviour in this field consisted in the regular booking of insurance for other owners, generally through Bolton in Halifax or Pitcairn and the Cannons in England. Table 8 indicates the minimum amount of insurance that Peake booked for other owners in the years for which we have records. While there is nothing in his records to suggest the rate of commission which Peake claimed as a result of his activities, one can imagine that such endeavours must have proved profitable.

TABLE 8  
PEAKE INSURANCE

YEAR	MINIMUM INSURANCE BOOKED (£)	YEAR	MINIMUM INSURANCE BOOKED (£)
1835	3750	1847	15600
1836	2400	1848	13800
1837	4300	1849	13550
1845	12100	1850	3240*
1846	8950		

\* Letterbooks are complete only through July. Source: Peake Papers.

The booking of marine insurance in the middle of the nineteenth century was not without risks. The slowness of communication, for example, could lead to situations where a correspondent such as Peake would be faced with procuring insurance for vessels which had already sailed. As well, in the days of sail it often was difficult to predict the duration of voyages. Since insurance was written for a particular period and for specific voyages, unforeseen delays could lead to prolonged haggling over the disposition of claims. Such an incident involved Peake in 1836, when one of John Landevin's schooners was damaged during a storm several days after the insurance had expired. When the Halifax concern which had issued the policy refused to pay, Peake was faced with the option either of paying the claim out of his own pocket or perhaps losing a client. Since the damages were less than £50, in this case Peake honoured the claim himself.<sup>51</sup>

Peake also became heavily involved in yet another aspect of the industry: the provisioning and outfitting of vessels. Little is known about his tenure in the ship chandlery business, but it doubtless was an outgrowth of his retail operation. His foray into the outfitting end of the industry was prompted by the observation that the importation of riggings and fittings was both expensive and time-consuming. His own experiences with improper sails, for example, prompted him to establish a sail loft in



Charlottetown. This apparently failed, but he maintained his involvement in outfitting by establishing a concern to import accessories from Great Britain.<sup>52</sup> Peake commented several times that this exercise in entrepreneurship had netted him "a goodly profit."<sup>53</sup>

### (III)

According to the characteristics of entrepreneurial behaviour derived from our model, it seems clear that James Peake was indeed an entrepreneur. If McClelland's hypothesis about "entrepreneurial personalities" is correct, Peake was probably one of the people who possessed certain personality traits which provided the impetus for this kind of behaviour. Regardless, he engaged in entrepreneurial activities on a number of occasions with generally profitable results, although failures were not uncommon.

At this point it is probably premature to attempt to draw too many lessons from Peake's experiences. We still need to fill in a number of gaps in our understanding of his activities, and doubtless further research will cause refinements in some of the interpretations. But what we need most are studies of comparable individuals and communities. One would expect that such research would locate a wide variety of entrepreneurial techniques, investments and behaviours against which Peake's activities can be better understood. Such studies need not utilize the model conceptualized here, but historians who undertake the study of entrepreneurship should at least become increasingly cognizant of the need for heightened precision. Works which fail to adequately define their central concepts will not lead to increased understanding. Instead, like some works of the past, they will obscure rather than illuminate.

But while a more rigorous inquiry will doubtless tell us much that is useful about entrepreneurial behaviour within the region, historians should not immediately conclude that "entrepreneurial failure" is the root cause of underdevelopment in Atlantic Canada.<sup>54</sup> Factors exogenous to the region account for much of the "failure;" even when looking for "internal" factors, however, entrepreneurship may well be less important than other causes. Entrepreneurs are primarily innovators, and the process of innovation was probably less important historically than associated behaviours, such as rational planning and managing. While entrepreneurs could (and did) plan and manage, others could have performed these tasks as well. "Managerial and planning failure" might well replace "entrepreneurial failure" as an organizing concept for future scholars interested in explaining regional disparity.

### NOTES

1. The dates of Peake's arrival on the Island and his return to England are taken from the obituary notice printed in *The Islander* 4 May 1860.

2. Data on Peake's shipwrecking are taken from Board of Trade series 107 and 108, Prince Edward Island Shipping Registries, located in the Public Record Office, London (microfilm at the Maritime History Group, St. John's). (Hereafter referred to as BT 107 and 108).

3. Peake to Laurence O'Brien, 30 May 1836, Peake Letterbooks, Peake-Brecken Collection, Public



Archives of Prince Edward Island, Charlottetown. (Hereafter referred to as Peake Papers).

4. David C. McClelland, *The Achieving Society* (Princeton, N.J., 1961), 494-497.
5. G. Bannock, et. al., *A Dictionary of Economics* (Hammondsworth, Eng., 1972), 141.
6. It would be erroneous, however, to infer from this that the owners of such franchises cannot be involved in entrepreneurial activities. In most cases, though, a franchise owner merely *rents* his entrepreneurial inputs. An excellent modern example would be the McDonald's fast-food chain; franchise-holders obtain "entrepreneurial" skills and concepts as part of their franchise fee.
7. See, e.g., John L. Komives, "Entrepreneurship: A Definitional Framework," in James W. Schreir, et. al. (eds.), *Entrepreneurship and Enterprise Development: A Worldwide Perspective* (Milwaukee, 1975), 46-50; Thomas C. Cochran, "Role and Sanction in Entrepreneurial History," in Hugh G.J. Aitken (ed.), *Explorations in Enterprise* (Cambridge, Mass., 1965), 93-112; McClelland, 205-207.
8. Joseph Schumpeter, *The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest, and the Business Cycle* (Cambridge, Mass., 1934); *Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process* (New York, 1939); *Capitalism, Socialism, and Democracy* (New York, 1950). The clearest explanation of the Schumpeterian world view may be found in Richard V. Clemence and Francis S. Doody, *The Schumpeterian System* (Cambridge, Mass., 1950).
9. Schumpeter, *Business Cycles*, 62-77.
10. "Risk-bearing is no part of the entrepreneurial function. It is the capitalist who bears the risk. The entrepreneur does so only to the extent to which, besides being an entrepreneur, he is also a capitalist, but qua entrepreneur, he loses other people's money." Schumpeter, *Business Cycles*, 79. The Schumpeterian definition, however, has definite utility for analyzing economic growth in the Third and Fourth Kondratieff waves (1896 to the present). In particular, the rise of conglomerates and mutual funds makes Schumpeter's concept of renewed interest.
11. Leland H. Jenks, "Approaches to Entrepreneurial Personality," *Explorations in Entrepreneurial History*, II (January 1950), 91-99; Bert F. Hoselitz, "Theories of Stages of Economic Growth," in Bert F. Hoselitz, et. al., *Theories of Economic Growth* (New York, 1960), 193-238.
12. Paul F. Lazarsfeld, "Reflections on Business: Consumers and Managers" (mimeographed, Columbia University, Department of Sociology, 1959).
13. See Hugh G.J. Aitken, "Entrepreneurial Research: The History of an Intellectual Innovation," in Aitken (ed.), *Explorations in Enterprise*, 3-19; Thomas Kuhn, *The Structure of Scientific Revolutions* (Chicago, 1962).
14. Cochran, "Role and Sanction"; McClelland, *The Achieving Society*, 205-207.
15. Thomas C. Cochran, *Railroad Leaders, 1845-1890: The Business Mind in Action* (Cambridge, Mass., 1953).
16. Kuhn, *The Structure*; Since entrepreneurial research remains in a somewhat arrested state, Kuhn might not have agreed with the designation of the publication of *The Achieving Society* as a paradigm revolution. However, since so many young scholars found themselves increasingly dissatisfied with the existent models, it seems reasonable to apply this concept. See Aitken, "Entrepreneurial Research," 14-15.
17. McClelland, 205-258.
18. *Ibid.*
19. My conception of systems theory is drawn primarily from W. Buckley, *Sociology and Modern Systems Theory* (Englewood Cliffs, New Jersey, 1969); Robert Dubin, *Theory Building* (New York, 1969); W.R. Scott, *Social Processes and Social Structures* (New York, 1970). The finest short pieces on the subject are Ludwig von Bertalanffy, "General Systems Theory: A Critical Overview," *General Systems*, VII (1962), 3-23, and James G. Miller, "Living Systems: Basic Concepts" (mimeographed copy, 1971). I am indebted to Professor David K. Wiles, currently at the University of Virginia, for making the latter available to me.



20. The concept is amplified in McClelland, *The Achieving Society*. McClelland has developed an index to measure this drive, which would seem to have certain utility in some historical investigations. For a summary of the intellectual underpinning, see McClelland, 475-487.
21. *Ibid.*
22. Francis X. Sutton, et. al., *The American Business Creed* (Cambridge, Mass., 1956), 17-21; McClelland, 210-225.
23. Sutton, et. al., *op. cit.*; David C. McClelland, et. al., "Obligations to Self and Society in the United States and Germany," *Journal of Abnormal Social Psychology*, LVI (1958), 245-255; McClelland, *The Achieving Society*, 228-230. Although I have consciously steered clear of a full-blown discussion of decision-making in this paper, my concept of the process is best exemplified by the work of Graham Allison, *Essense of Decision: Explaining the Cuban Missile Crisis* (Boston, 1971).
24. McClelland, *The Achieving Society*, 225-228; Fritz L. Redlich, "Business Leadership: Diverse Origins and Variant Forms," *Economic Development and Cultural Change*, III (1958), 177-190.
25. There is no observable dissent in the literature from this conclusion, but see Clemence and Doody, *op. cit.*, for a redefinition of the Schumpeterian conception of innovation which comes as close as any to denying these conclusions.
26. McClelland, *The Achieving Society*, 228-230.
27. See Bert F. Hoselitz, "Entrepreneurship and Economic Growth," *American Journal of Economic Sociology*, XII (1952), 97-110.
28. *Ibid.*
29. Kenneth E. Boulding, "General Systems Theory: The Skeleton of Science," *Management Science*, II (1956), 189-203; David Easton, *The Political System* (New York, 1953), and *A Systems Analysis of Political Life* (New York, 1965).
30. Peake to Laurence O'Brien, 14 September 1835, Peake Papers.
31. Peake to Joseph Cannon and Sons, 21 November 1846; Peake to Joseph Cannon and Sons, 29 September 1846, Peake Papers.
32. Peake to Joseph Cannon and Sons, 2 August 1847; 13 October 1847; 29 June 1848, Peake Papers.
33. See notes 30 and 31 above; Peake to John Benjamin Cox, 25 November 1847; Peake to O'Brien, 5 November 1836, Peake Papers.
34. Peake to John Hall and Company, 29 September 1846, Peake Papers.
35. Since I do not at present have access to Plymouth registries it has been impossible to do a proper analysis of this phenomenon. The search of the BT 98 series yielded a surprisingly large number of entries for Peake; I would like to thank Ms. Doris King of the Maritime History Group for searching this series for me. Another related topic that needs further exploration is the exact working relationship between George, Thomas and James Peake. Peake frequently mentions his father and brother in letters, sometimes indicating that they are empowered to receive funds owed him or to make decisions regarding the sale of vessels. Unfortunately, the Peake Papers contain not a single letter written by James to any of the Peakes in Plymouth.
36. The adjustment of fleet size was complicated by a lack of knowledge as to how long the vessels remain under Peake control. I have assumed, however, that the average life expectancy of a vessel registered in Plymouth would roughly parallel that of a vessel registered in PEI. Accordingly, I have used PEI values to compute life expectancy. For a more complete explanation of this process, see my "The Port of Prince Edward Island, 1840-1889" in K. Matthews and G. Panting (eds.), *Ships and Shipbuilding in the North Atlantic* (St. John's, 1978), 41-70.
37. Peake to William Stevenson, 7 February 1846, Peake Papers. Descriptions of voyages are compiled from references in the Peake Papers, newspaper accounts, and the BT 98 series.
38. Peake to Thomas Bolton, 10 May 1847, Peake Papers. Prince Edward Island coastal trade is



further amplified in my paper, "The Shipping Fleet of Prince Edward Island, 1840-1889" (paper presented to the annual meeting of the Canadian Historical Association, Fredericton, N.B., 4 June 1977).

39. See, for example, Peake to Cunard, 11 June 1848, in which future business prospects are discussed.

40. Fischer, "The Shipping Fleet of Prince Edward Island," 28-31.

41. Lewis R. Fischer, "The Shipping Industry of Nineteenth Century Prince Edward Island: A Brief History," *Prince Edward Island Magazine* (forthcoming), contains a description of the importance of trade to Newfoundland.

42. Peake to Bolton, 6 November 1846. Although Peake referred to this operation as a "speculation," by our definitional construct this would be considered a moderate risk. Peake apparently gave a great deal of thought to the development of the fishery, and he believed that he had a reasonable prospect of success.

43. Peake to Bolton, 21 November 1845, Peake Papers.

44. *Ibid.*

45. Peake to Avar and Son, 23 October 1837, Peake Papers.

46. Peake to Bolton, 21 November 1845, Peake Papers.

47. Peake to Bolton, 8 June 1847, Peake Papers.

48. Peake to Bolton, 18 August 1846, Peake Papers.

49. Data on the vessel was derived from the registry contained in the BT 107 series. The Halifax registry (72/1853) in the same series lists the Cunards as the purchasers.

50. See note 36 above.

51. Peake to Bolton, 11 June 1836, Peake Papers.

52. Peake to John Sutton, 24 March 1846, Peake Papers.

53. See, for example, Peake to Bolton, 30 August 1845, Peake Papers.

54. For examples of works which place heavy emphasis upon "entrepreneurial failure" in explaining underdevelopment in Atlantic Canada, see Roy E. George, *A Leader and a Laggard: Manufacturing Industry in Nova Scotia, Quebec and Ontario* (Toronto, 1970); T.W. Acheson, "The National Policy and the Industrialization of the Maritimes," *Acadiensis*, I, No. 2 (Spring 1972), 3-28.



## 10. DISCUSSION FOLLOWING THE PAPERS OF E. SAGER L. FISCHER

ALEXANDER suggested that Marxists may be correct in stressing price manipulation as the focus of entrepreneurial behaviour. One can make the case that whatever may have happened to accumulated profits in Newfoundland, the profits were indeed made through the manipulation of wholesale and retail prices. Was this characteristic of entrepreneurial activity in the Maritimes as well?

WYNN thought that the truck system was less oppressive in the timber trade than in the fishery. By and large it seems that the price which the merchant paid for timber to those on contract was about the same as the prices on the open market. Timber prices were not manipulated as much as the price of provisions, and this is where many merchants made profits. It was easier, especially in the earlier years, for small men to make enough from a lumbering venture to escape indebtedness to the merchant.

LEBRETON agreed that the truck system was much more widespread in the fishery, and the escape from indebtedness much more difficult than in the timber trade.

ALEXANDER returned to the question of identifying the economic problem of the Atlantic region at the end of the nineteenth century. It is unlikely that the problem was one of scarce resources. Was the economy unable to generate sufficient capital, or to attract foreign capital? Or did the problem lie in the way in which capital was accumulated: did capital accumulated through "merchanting" prevent reinvestment in physical capital structures, so that when there was a relative decline in the resource base, the region was left without fixed capital assets from which to develop other economic activities? Or was there, for some reason peculiar to this region, a failure of entrepreneurship?

LEBRETON thought that the economic and social structure of the Acadian areas of New Brunswick precluded the development of entrepreneurial talent. Any investment which took place came from the outside and was transitory. The local population did not work for cash and were unable to invest even in small industries, and so it was virtually impossible for Acadians to become entrepreneurs.

FISCHER, citing the example of Prince Edward Island, argued that the problem was not one of entrepreneurship, nor of resources, but a problem of management. The long-term planning of resource utilization, and the conservation of resources, are managerial functions and not entrepreneurial functions. Given the resource base of the Atlantic region, the failure to develop appropriate managerial functions was critical.

SAGER thought that the history of the marine sector in Newfoundland confirmed the importance of managerial failure. The old merchant families did produce entrepreneurs who were willing to innovate and even to undertake the risk of investment in manufacturing. But the family-based merchant enterprise did not encourage the talent or inclination for management of resources or for centralized cooperative action to regulate



the process of production and marketing in the fishery. Thus even as a manufacturing base did develop, along with new resource industries, the entire maritime sector was doomed to stagnation.

PANTING suggested that Atlantic Canada began with a dependent colonial economy which it never transcended. The timber trade and shipbuilding depended upon foreign investment or a foreign market. When manufacturing occurred, it followed a continental paradigm which was perhaps inappropriate for the region. In a dependent economy objectives and policies appropriate to local needs, resources and markets never developed.

OMMER agreed that external control of production and marketing could inhibit the development of local managerial and entrepreneurial skills. The Gaspé fishery was controlled by Jerseymen, at both production and marketing levels, and this inhibited the development of skills in the region itself.

FISCHER thought that the model of external control as a retarding influence did not apply well to the case of Prince Edward Island. There was obviously a degree of dependence upon the British market, but most island shipbuilders were selling their vessels in Newfoundland until the 1850's, and they built vessels for use in the provision trade to Cape Breton and to the east coast of Newfoundland. In Prince Edward Island, at least by the 1850's, external control was not an important factor.

BUCKNER felt that much of the discussion so far was somewhat ahistorical. We are projecting our present gloom and present concerns into the nineteenth century, forgetting that the nineteenth century was a period of relative growth and prosperity for most of the region. In the case of P.E.I., for instance, the existence of a flourishing agricultural economy has not even been mentioned.

PANTING agreed that there was prosperity in the region in the nineteenth century, but suggested that this prosperity was narrowly-based and restricted to a small minority in the population. The ability of a handful of merchants to make a profit from the fishery should not obscure the very real problems of that fishery and its antiquated methods.

WYNN insisted that much of the region did enjoy relative prosperity in the nineteenth century. There were economic opportunities in New Brunswick, even for the common man, and these opportunities were better than those of the working man in Manchester or Oldham, for instance. Even in 1850 it was possible for the immigrant to win some independence and moderate comfort fairly quickly. This remains true, even though the system was exploitative and even though disproportionate wealth accrued to a small merchant class. It is possible, of course, to find antecedents of later problems in the nineteenth century. There was a problem of resource management, since prosperity was based upon helter-skelter exploitation of resources without regard for conservation. But we should not attribute too much to this failure, since very few people in 1840 knew anything about conservation. We may find in the early nineteenth century some implications for later developments; but we cannot look back from the 1970's and find the roots of all our present problems in the early nineteenth century.

ALEXANDER wondered whether there was another problem in such discussions: is it correct to talk about an Atlantic region in the nineteenth century, or is the idea of an



Atlantic region something imposed upon us by later developments? Were the economic conditions of Acadia entirely different from those of the Fundy basin or of Halifax, and were the problems of Nova Scotia entirely different again from those of Newfoundland? If these places had so little in common that it is incorrect to speak of a region, then perhaps it is incorrect to begin by examining general factors such as entrepreneurship and to speak of them as regional phenomena.

WYNN believed that it was essential to understand that regions are relative concepts; that is, they exist because certain distinctive features encourage us to place one area in comparison to another. We may say that Atlantic Canada is a region, but we do so because we are comparing it to central Canada, and we can see that there are more parallels between P.E.I. and New Brunswick than there are between P.E.I. and Quebec. If we change our scale, or our criteria, we would find that even New Brunswick is not a region. Whether we can speak of a region or not depends upon our scale and our criteria. It may be a mistake to speak of the Maritimes as a region in the nineteenth century, when what we see are a series of island communities which were slenderly tied into wider patterns of communication. It is certainly a mistake to see the whole area as it existed in the nineteenth century through the comparative perspectives which present regional differences have forced upon us.







11. THE SHIPBUILDERS, WHALERS AND  
MASTER MARINERS OF GASPÉ BAY  
IN THE NINETEENTH CENTURY

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# THE SHIPBUILDERS, WHALERS AND MASTER MARINERS OF GASPÉ BAY IN THE NINETEENTH CENTURY

David J. McDougall

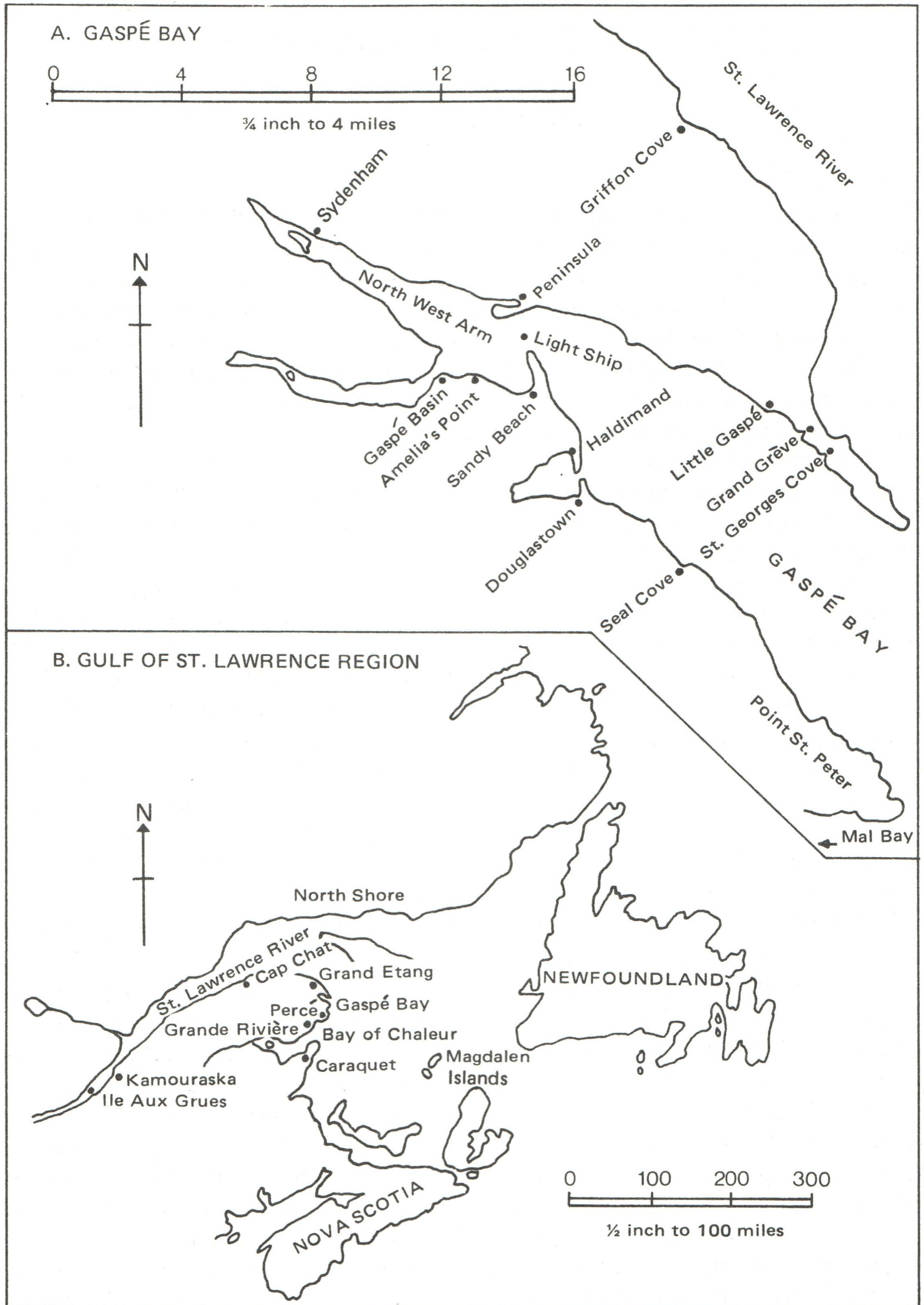
Historical accounts of the Gaspé coast can often be summarized in a few stereotyped phrases: "the impoverished cod fishermen"; "the Jersey fish merchants"; "the iniquitous truck system"; and, at times, a statement of the uniquely "québécois" characteristics of the district. As might be expected these are part truths, as are many of the implications which have been drawn from them. This paper is a preliminary examination of some of the activities of residents of Gaspé Bay during the 1800's which demonstrate that there is another, largely unwritten, history. Although it will not be discussed here, this is also the case for several other parts of the Gaspé peninsula.<sup>1</sup>

The recorded history of Gaspé Bay began when Jacques Cartier sheltered there from a storm in the course of his first voyage of exploration of the Gulf of St. Lawrence in 1534. For the following two centuries there was no permanent settlement on the Bay although it was used as a point of arrival and departure for French vessels making Atlantic crossings. If the Percé seigneurie held briefly by Pierre Denys (1674-c.1690) is excepted, the nearest seigneuries were at Grande Etang and Grande Rivière, both of which were granted in 1697. In between them about one hundred and twenty miles of coastline, which included Gaspé Bay, was reserved for the exclusive use of seasonal fishermen from both France and the seigneuries in the vicinity of Kamouraska, three hundred miles up the St. Lawrence River (Figure 1). A small French settlement on Gaspé Bay, which was established in 1742, was destroyed sixteen years later in 1758 by British military forces clearing the way for the assault on Quebec. At the time of the raid, the settlement was reported to have had a population of about three hundred (most of whom were repatriated to France) but the sparse records do not make it clear how many were permanent settlers and how many were transient fishermen.<sup>2</sup>

Following the final British victories in Canada in 1760, the French fisheries in the Gulf of St. Lawrence began to be taken over by the British and Americans. After the Peace of Paris in 1763, the new government in Quebec gave active encouragement to settlement in Gaspé and numbers of English-speaking fishermen were added to the seasonal arrival of *canadien* fishermen on the Gaspé coast. One aspect of this new influx appeared in the form of petitions for land grants on the Bays of Gaspé and Chaleur, often by partnerships of two or more men. Their intentions often seem to have been to have one member of the partnership established on the coast while the other remained in Quebec as the agent for the sale of their fish. Some of the partners were British merchants with considerable commercial resources, while others were discharged Scottish and English soldiers, apparently with little to back them except their wits and brawn. Only a few petitioners are known to have become settlers and fewer still remained permanently. Small numbers of settlers, most of whom were Americans, continued to arrive throughout



Figure 1





the 1700's, but the Quebec Act of 1774 put a temporary end to land grants, and damages to property by American privateers during the American Revolutionary War drove some of the earlier settlers away. Following the war American Loyalists and discharged soldiers, sailors and militiamen increased the population of Gaspé Bay and other settlements on the Gaspé coast, but within fifteen years many of these had also gone elsewhere. As a result of these successive depopulations the number of men, women and children permanently settled around Gaspé Bay remained small. The total at the start of the 1800's can be approximated at about four hundred (by interpolation from the 1819 census figure of 535).

During the last forty years of the eighteenth century there were several attempts by merchants to establish themselves on Gaspé Bay, few of which were successful. There were some exceptions, the earliest of which were the Guernseymen, Nicholas LeMeasurier and Helier Bonamy, who had a fishery at Grande Grève from sometime in the 1760's to probably as late as the 1790's. They were succeeded by the Jersey firm of P. and F. Janvrin, who had arrived there at about the time that a Janvrin firm had apparently been requested to quit the Magdalen Islands by agents of Admiral Isaac Coffin.<sup>3</sup> A third was Daniel McPherson, a Scot and a Loyalist, who had come to the newly established community of Douglastown in 1785. He retired to his seigneurie at Ile aux Grues (Crane Island) in 1802, but the business continued to be carried on at Point St. Peter by his Johnston descendants until 1846. It might be argued that Felix O'Hara, who arrived at Gaspé Bay in 1764 and died there forty years later, should be included in a list of merchants. Although he may have started with that in mind, he quickly became what elsewhere might be described as a member of the squirearchy. Besides being a large land holder, he held the posts of justice of the peace, customs officer, land surveyor, judge, member of the local Land Board, etc., and a number of his sons followed in his footsteps by acquiring appointive and elective posts.

In sharp contrast to what can be variously construed as lack of enterprise, lack of opportunity, or lack of records during the late 1700's, the early years of the 1800's were marked by a burst of maritime entrepreneurial activity by members of several Gaspé Bay families. No obvious reason had been found for this apparently abrupt development and the only feature which seems to be common is that all of them were second or third generation Gaspésians. To expand the doubtful analogy of the O'Hara's being part of a squirearchy, most of these men might be described as part of a yeomanry, although the peculiarities of Lower Canada laws made the ownership of the properties they occupied very uncertain. With one or two exceptions, the ways in which these families had previously made their living are almost entirely a matter of speculation.

## SHIPBUILDING

The almost simultaneous start of shipbuilding and whaling by local men produced the first records of their new activity. Wooden sailing vessels had been built on Gaspé Bay prior to 1800, and the first to be registered was a 30 2/3 ton schooner called the



*Industry*, which was built in 1786 and registered at Quebec in 1787. The 29 3/4 ton schooner *Justina*, built in 1787 and registered at Sydney, Cape Breton Island, and the 38 72/94 ton schooner *Snipe*, built in 1793 and registered at Carleton, Lower Canada in 1796, were also noted to have been built at Gaspé, but this does not necessarily mean that they were built at Gaspé Bay. In early ship registries and records of arrivals and departures at ports other than in Lower Canada, it could mean anywhere on the Gaspé coast. The early Quebec ship registrations sometimes gave a specific name to a building site, but frequently only made a distinction between Gaspé and the Bay of Chaleur, and in such case "Gaspé" could mean any place east of Point Maquereau at the entrance of the Bay of Chaleur. Sparse records assembled from a variety of sources indicate that at least forty-one vessels were built on the coasts of the Gaspé Peninsula before 1800, mainly on the Bay of Chaleur. However, registration was not compulsory before 1786; instances have been found of vessels which were first registered at British ports; some early registries are lost; and vessels used exclusively for fishing were rarely registered (particularly those under twenty tons during the 1700's and under thirty tons during the 1800's); so that others must have been built for which there is no record.<sup>4</sup> The first vessel which can be satisfactorily identified as having been built on Gaspé Bay in the nineteenth century was the forty-five ton pink-sterned schooner *Trial*, which was built and owned by the Annett brothers of Peninsula in 1805. Wooden sailing vessels, the largest of which was 375 tons, continued to be built at Gaspé Bay throughout most of the nineteenth century, and the final one to be registered was the 18.57 ton schooner *Emma*, built in 1890 by Thomas Adams. Although it was a very small vessel it had the distinction of being the last of the Gaspé Bay lightships and was replaced by a lighthouse in 1904.

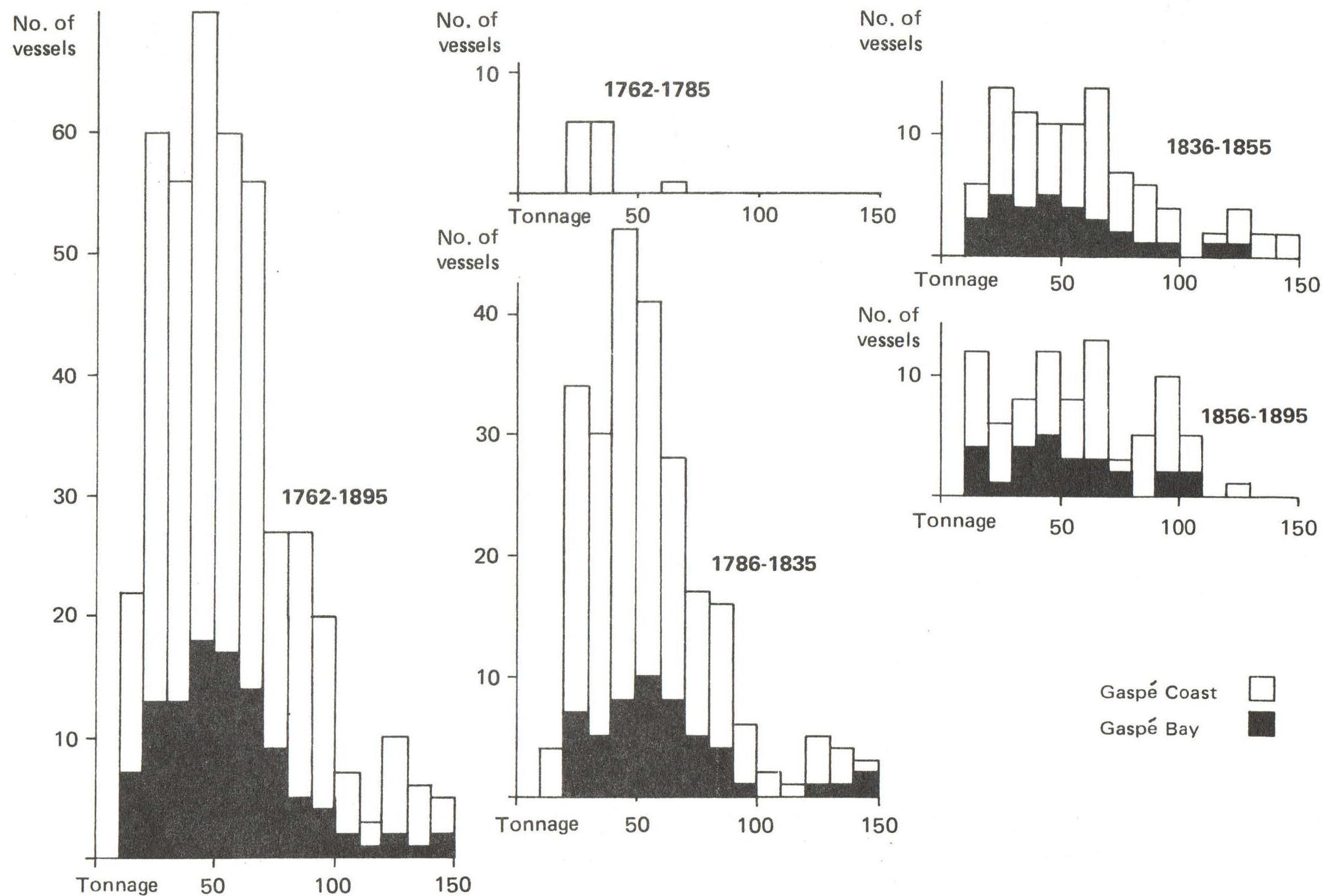
Ship arrivals and departures and other pieces of information (such as where vessels were sold or wrecked) show that during the greater part of the nineteenth century many of the schooners which were registered as having been built at "Gaspé" and Gaspé Bay were mainly used for carrying goods of all kinds to settlements along the Gaspé coast, to and from Quebec City, and to and from ports throughout the present-day Atlantic Provinces. The main axis of this coasting trade appears to have been about five hundred miles southwest to Quebec City and about five hundred miles southeast to Halifax. There does not seem to have been any clear-cut upper and lower limits to the size of vessels used in this trade, but fifty to seventy ton schooners may have been the most efficient for the purpose. A number of schooners were used for whaling, but few of the registered Gaspé Bay vessels appear to have been used exclusively for fishing (only five were noted in the ship registries to have been the property of fishermen, most of whom are also known to have been either mariners or whalers). In general, the schooners were in a distinctly different category than the typical Gaspé coast fishing boats, which were generally small, undecked and frequently had stepable masts. Square-rigged vessels were mainly used for carrying fish on the longer voyages to Portugal, Spain, the Mediterranean, the West Indies and South America, but schooners were also used on these routes.

Up to the time of writing a total of 460 vessels have been identified as having been built on the coasts of the Gaspé Peninsula between Cap Chat and the Restigouche River during the century and a third from 1762 to 1895. Some were brigantines, snows, brigs,



Figure 2

## NUMBER OF VESSELS BUILT BY TONNAGE CLASS



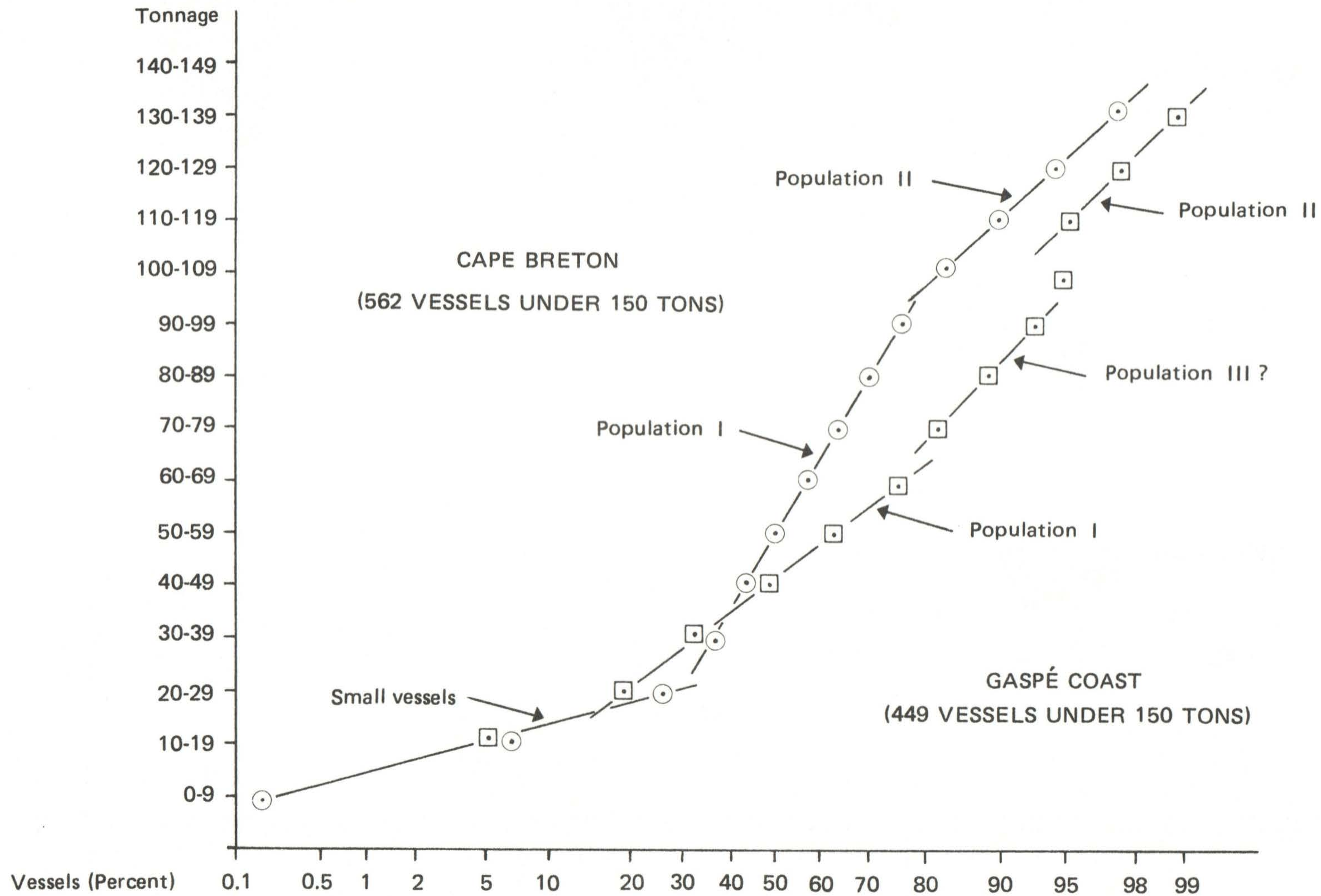
Sources: see footnote 4.



Figure 3

PROBABILITY PLOTS: PERCENTAGE OF VESSELS UNDER 150 TONS BY TONNAGE CLASS\*

130



\*Note that the horizontal axis is a probability scale. Source: J.B. Parker, *Cape Breton Ships and Men* (North Sydney, 1967); footnote 4.



barks and ships, but by far the greater number were two-masted schooners.<sup>5</sup> Of the total about 25% were built at "Gaspé" or at locations around Gaspé Bay and nearly half of this number were built between 1833 and 1866. Several of the foregoing statements as well as some less obvious features can be illustrated graphically using some of the data on these vessels (Figure 2). For those under 150 tons, histograms of the number of vessels versus tonnages for the whole period of 1762 to 1895, both for the total and for "Gaspé"-Gaspé Bay alone, have median values at about fifty tons, indicating that this was the size in greatest demand. In almost all the histograms, vessels of more than one hundred tons (mostly but not exclusively square-rigged) appear as separate populations, apparently reflecting the two different kinds of demands for coasting and deep-sea vessels.

There are two features to the data used in constructing the histograms which should be noted. First, changes in the procedures for admeasurement in 1836 and 1855 generally served to reduce measured tonnages (by averages of about 30% in 1836 and 5% in 1855).<sup>6</sup> The post-1835 histograms are therefore shifted to the left relative to the earlier ones and may have skewed the histogram for 1762-1895 by an undetermined amount. Secondly, it is very probable that a number of vessels (both square and schooner-rigged) of somewhat more than one hundred tons were registered at tonnages of less than that amount. Partial confirmation of this is that none of either the square-rigged vessels or schooners built anywhere on the Gaspé coast between 1814 and 1858 were in the 100-109 ton range. The only two Gaspé Bay vessels of this tonnage were schooners built by Collas and Company in 1860 and 1875 respectively. The reason is said to have been that coasting "papers" rather than master mariners "papers" were required for vessels of less than one hundred tons and some Gaspé vessels were therefore built with a false keelson which could be removed after the vessel had been measured and registered. Rough calculations suggest that such a method of construction could have reduced the measured tonnage by as much as 25% (for example a 110-ton vessel could have been registered as 85.5 tons). Comparison of shipbuilding records for the Gaspé coast and Cape Breton suggest that this was not the practice everywhere. Probability plots (Figure 3) show two apparent populations for Cape Breton with a small angular inflection between them and two clearly defined populations for the Gaspé coast with a sharp inflection which may reflect a third from seventy to ninety-nine tons.<sup>7</sup>

A list of Gaspé shipbuilders has been compiled from the following sources: the ship registers of the ports of Quebec and Gaspé, censuses of Gaspé Bay, registers of Anglican churches scattered around the Bay and some additional minor sources.<sup>8</sup> One of the limitations encountered in preparing the list is that in the ship registers, builders' names were only recorded with regularity between 1830 and 1855 and are almost completely lacking after 1855. The names are arranged in chronological order of their first appearance and the figures are the years in which an individual was referred to, in some fashion, as a shipbuilder (Table 1).

At various times during the 1800's there were ship yards at St. Georges Cove (Bronard); Peninsula (Annett, Ascah and Miller); Gaspé Basin (Bechervaise); Douglastown; and Point St. Peter (Collas and Company). Vessels were also reported to



TABLE 1  
GASPÉ SHIPBUILDERS

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John Annett:	1805, 1812, 1825
William Annett:	1805, 1808
George Annett:	1805, 1808, 1812, 1816
Richard Annett:	1805, 1811, 1818
John Boyle:	1811, 1818
George Boyle:	1811, 1818
Thomas Boyle:	1811
James Baker:	1812
William Baker:	1812, 1839, 1840
Robert Ascah	1816, 1821
James Boyle:	1818
Felix Boyle:	1818, 1828
William Miller:	1819, 1823, 1846, 1847, 1854, 1861
Philip Bechervaise:	1821, 1828, 1834, 1840, 1861
George Brown:	1830
(also built a vessel at New Richmond, 1833)	
William McArthur:	1830
James Stewart McArthur:	1830
Charles Methot:	1831
James Collas:	1831
William Annett:	1833, 1843
(nephew of Wm. Annett above)	
Peter Bronard (Broward, Brouard):	1833
Neil Ascah:	1834
Joseph Marin:	1834
Wm. Murray Brown:	1836
Philip Vautier:	1837
Pierre Dumas:	1838
(probably at Bonaventure)	
Louis Lemieux:	1838
(probably at Mal Bay)	
Charles Arthur:	1838
Thomas English:	1839, 1845, 1848, 1854, 1855, 1861
(also built a vessel at Griffin Cove, 1848)	
Philip Vibert:	1841
Thomas Touzel (Le Touzel):	1844, 1854
Benjamin Patterson:	1841
William McBirnie:	1845, 1851
Thomas Suddard:	1845
John Adams:	1854, 1855, 1858
Collas & Company:	1855, 1859, 1860, 1864, 1865, 1872, 1874, 1875
Joshua Falle:	1861, 1871
Robert Baird:	1861
John Briand:	1861
Frederick Miller:	1861
Edward Quigley:	1863, 1876, 1883
Thomas Adams:	1880, 1890
Peter Briard:	1894

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Source: see text.



have been built at Gaspé Bay, Little Gaspé, Sydenham, North West Arm, Amelia's Point, Sandy Beach, Haldimand and Seal Cove, while "Gaspé" was perhaps the most common designation of the building site (Figure 1). In the last instance, the names of the builder and/or owner may at times give some indication of whether or not a vessel was built on Gaspé Bay. With some doubtful exceptions, the names of men who usually built vessels at places other than Gaspé Bay have not been listed when the site was shown only as "Gaspé."

The Annetts, Boyles, Bakers, Ascahs, Millers and Pattersons were the sons and grandsons of men who settled on Gaspé Bay from about 1765 to 1794 and were almost always the owners or part owners of the vessels they built. The one exception was William Miller who built vessels to order during the later part of his career. Thomas English, the son of a later settler, and the Jerseymen — Bechervaise, Collas, Vautier, Vilbert, LeTouzel, Falle and Briand — who had arrived from about 1820 onwards, built vessels for customers other than themselves. Peter Bronard, a Guernseyman, had been a resident from about 1802. Most of the Channel Islanders probably learned their trade in Jersey or Guernsey, the one known exception being Bechervaise who had been apprenticed to a shipbuilder in Newfoundland. It is not known where members of the early Gaspé Bay families learned shipbuilding but some may have worked at Paspebiac or New Carlisle where shipyards were established in the 1790's (members of the Annett, Ascah and Boyle families married daughters of New Carlisle ship carpenters). Most of the remaining names are of men who built vessels for their own account and only rarely for others. The owners of the greater number of the schooners these men built were either residents of Gaspé Bay or (until the Port of Gaspé Ship Register began in 1842) Quebec City merchants. Most of the square-rigged vessels were transferred to ports in England, Scotland, Ireland or the Channel Islands shortly after they were built, and a few had Certificates of British Registry when they were completed. Some of the schooners were also transferred to Jersey registry and were sometimes surprisingly small to have made Atlantic crossings. The only merchants who are known to have had a shipyard on Gaspé Bay for their own vessels were the Jersey house of Collas and Company, the successors to the Johnston firm at Point St. Peter.

By the beginning of the final third of the last century, steam-powered vessels on regular runs from Quebec City and the Maritime Provinces had begun to eliminate some of the need for schooners, and other technological and economic factors had begun, or shortly would begin, to change completely the established maritime economy of Gaspé Bay. One of these was the Intercolonial Railway, which served Gaspé Bay via a regular steam boat service, first from Point du Chêne and later from Dalhousie and Campbellton in New Brunswick. The railway was completed from the Maritimes to Levis opposite Quebec City in 1876 and a spur line ultimately reached Gaspé Bay a quarter century after it had been begun in 1886. Other factors were the termination of the Reciprocity Treaty with the United States in 1866 which brought an end to the Free Port of Gaspé; the replacement of whale oil by petroleum products; and the great depression of the 1870's, 1880's and 1890's. Taken together they foreshadowed the end of wooden sailing ships and the need for men to build them.



## WHALERS

The first whalers in the Gulf of St. Lawrence were Spanish Basques, who may have been there before Cartier's explorations, and left their mark in many place names derivative from their language.<sup>9</sup> They were reported to have been using the Magdalen Islands as a whaling base in 1591, but by 1650 they had transferred all of their whaling activities to the waters of Greenland and Spitzbergen. The French in New France do not appear to have given whaling a very high priority, but some whaling, mainly by French Basques, was done in the estuary of the St. Lawrence from about 1690 to at least 1747. In contrast, the British were encouraging whaling at Newfoundland by 1700 and American whalers were operating out of Canso by 1732. In 1761, the Gulf of St. Lawrence and the Straits of Belle Isle were opened to British Colonial fishermen, which brought American whalers in great numbers over the next few years. They were discouraged to some extent by the rigid enforcement of fishing regulations on the Newfoundland and Labrador coasts from 1766 onwards but were still whaling in the Gulf up to the time of the American Revolutionary War. British and American merchants at Quebec equipped a few whaling sloops about 1765 and exported some whalebone to Great Britain in 1768 and 1769. During the American Revolution, Charles Robin shipped whalebone and oil to England (presumably from the Gaspé coast), and in 1780 Peter Fraser, who had been cod-fishing at Percé three years earlier, was operating a whaling vessel from Quebec. However, few if any whalers from Great Britain ever appear to have operated within the Gulf. Following the American Revolution, American whalers reappeared in the estuary and Gulf of St. Lawrence, the Straits of Belle Isle and off the southern coasts of Newfoundland, but after 1798 their numbers were reported to have been negligible.

Whaling by residents of Gaspé Bay began about 1804 (less reliably in 1798) and continued until October 1893. The surviving fragments of the Port of Quebec ship arrivals of the time include a notation of a schooner from Chaleur Bay with a cargo of blubber and oil early in 1807, but the first documentary evidence of whaling at Gaspé Bay was dated in 1809. It lists the names of Matthew Stewart, John Boyle and brothers (presumably George, Thomas and James), John Annett and brothers (presumably William, Richard and George) and John Patterson. The following year Richard Miller, John Ascah, Robert Ascah, Benjamin Coffin, James Thompson and Thomas Thompson began a court action against the Jersey merchants Francis and Philip Janvrin for the recovery of a whale they had killed. With the exception of Matthew Stewart, who was a merchant, shipbuilder and owner of the Shoolbred seigneurie at Magausha near the mouth of the Restigouche River, all these men were residents of Gaspé Bay.

There are a number of ambiguous aspects to the history of whaling from Gaspé Bay. The tradition is that the local men were taught to whale by Abraham Coffin (the father of Benjamin Coffin), who had arrived there from Nantucket a year or so before 1780. This seems to be partially contradicted in an 1834 manuscript report by John McConnell, the Gaspe Bay customs officer who, although he mentioned a Nantucket



whaler as the instructor and was acquainted with members of the Coffin family, did not link them. In 1809 about equal numbers of whales were reported to have been taken with whale boats (presumably within the confines of the Bay) and from schooners (presumably in the Gulf). Most descriptions of the start of whaling by local populations include a fairly long period of whaling from the shore in small boats, but no other references have been found to shore whaling, and schooners appear to have been used almost from the beginning. The first of these was probably an unnamed vessel used by the Boyles and the second was Annett's *Trial*. Building and outfitting a whaling schooner presupposes some financial resources and this may have been provided initially by Matthew Stewart, possibly in conjunction with his merchant brother James, who had moved from the Bay of Chaleur to Gaspé Bay in 1798. Much later, in 1836, Abbé Ferland mentioned in passing that the only outfitters (*armateurs*) of whalers in Lower Canada were the Scots (*les ecossais*) of Gaspé Bay. Presumably at that time the "Scots" could have been either Henry Bisset Johnston at Point St. Peter or James Stewart's sons. However, the only whaling schooners known to have been active at that time were owned by Felix Boyle, William Annett and the Miller family, none of whom are known to have any claim to Scottish origins. Both before and after that time there is not much evidence of Gaspé Bay whaling schooners being financed through outside sources. What little is known about the borrowing patterns of both the whalers and mariners engaged in coasting is that the usual reason vessels were mortgaged was when money was needed to carry the owners through bad years. Until the 1860's most of the mortgagees (and purchasers when mortgages could not be paid) were Quebec City merchants. The only local merchant from whom they are known to have borrowed money was the Jerseyman, John LeBoutillier. In an 1849 report there is a one sentence reference to Jersey firms outfitting whalers, but who was meant is unknown.<sup>10</sup> The overall implications seem to be that the Gaspé Bay whalers usually built and equipped their schooners out of their own and their relatives' pockets. A further unresolved question is the extent to which they may have been in competition with other whalers for the available whales. A report in 1842 implies that Americans were whaling in the vicinity of the Magdalen Islands.<sup>11</sup> In 1858 most of the Gaspé Bay whalers raised a formal objection to the use of rockets and bombs which wounded but did not kill immediately. By tradition at least, they only used harpoons and lances, so that other whalers with more up-to-date equipment must have been operating in the Gulf. Finally, when the legend of the "burning ship of the Bay of Chaleur" is stripped of its most improbable aspects, there is a very good likelihood that its appearances were mirages of square-rigged whalers trying out oil beyond the horizon of the Gulf. It may be significant that the superstitious folk who had seen the "burning ship" were reported by MacWhirter in 1919 to have done so fifty years or more before<sup>12</sup> (i.e., at about the time of the Reciprocity Treaty when Americans had unrestricted access to the Gulf).

During the eighty-nine years from 1804 to 1893 that whalers operated out of Gaspé Bay, the numbers of vessels which were in use at any one time fluctuated considerably. The information which has been assembled is somewhat fragmentary and for some years



consists only of casual observations by visitors to the district, but if it is plotted in conjunction with the yearly American price for whale oil, there is a close coincidence between the two graphs (Figure 4). It would thus appear that the number of whaling schooners reflected North American economic conditions rather than other factors such as the availability of whales. In constructing the graph of whaling vessels, some pieces of information were not included. In 1819 two additional whalers were reported to have been based at Percé and another eight at Paspebiac, but nothing further has been found about these vessels. The post-Napoleonic War depression of the 1820's brought a virtual end to whaling out of Gaspé Bay for a few years so that from about 1825 to 1830 a number of men who usually made their living from whaling appear in various records as "traders." Much later, in 1866, an enthusiastically written book about the Gaspé coast mentioned "about a dozen Gaspé Bay whaling schooners," which is substantially more than were noted in the Fisheries Reports of the time.<sup>13</sup>

Their whaling grounds were as far west as Kamouraska in the estuary of the St. Lawrence River; around Anticosti Island; through the Straits of Belle Isle; north along the Labrador coast to the mouth of Hamilton Inlet; south and east throughout the Gulf of St. Lawrence; and along the eastern coast of Newfoundland. Information on the amounts of oil produced have only been found for about a quarter of the nearly nine decades of whaling (mainly between 1853 and 1865) with an overall average of nearly 750 barrels of oil per year. The incomplete nature of the information makes it probable that this average figure is somewhat low. The best year on record was 1858 when six whaling schooners with an aggregate tonnage of 330 tons produced a total of 1624 barrels of whale oil. The usual whaling season was July, August and September, so that the whale oil productivity of the Gaspé Bay whaling fleet was certainly equal and probably better than many individual American whaling ships of equivalent tonnage which whaled year round on two or three year voyages.

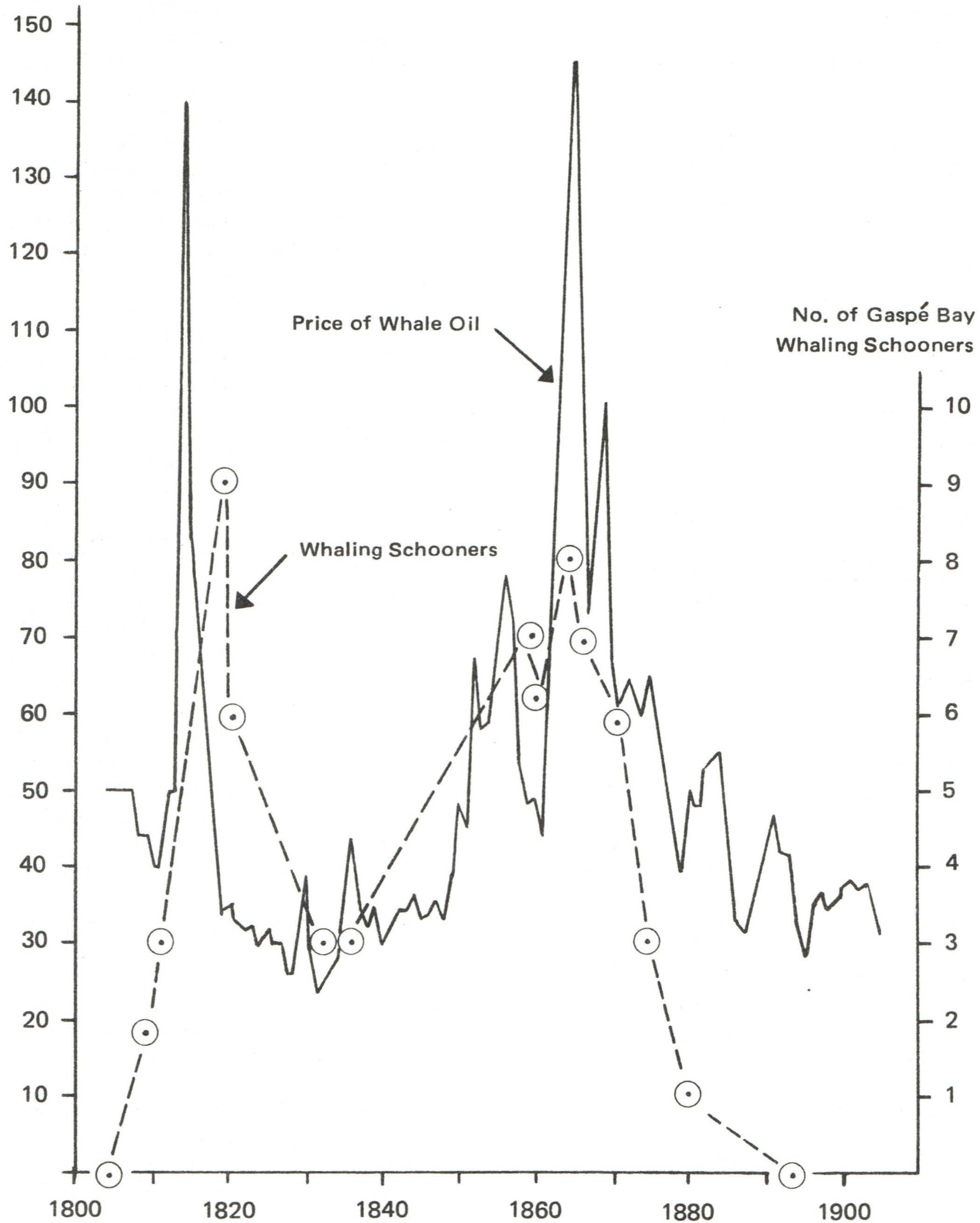
Information on the numbers of whaling schooners in various years, census and church records of men described as whalers and other references to the names of schooners and their masters engaged in whaling have been used to construct a list of the Gaspé Bay whaling schooners and their masters (Table 2). Because they were either broken up, wrecked or sold, few of the whaling schooners built before 1828 continued whaling much past the start of the 1830's. With the exception of the last on the list, the remainder were all afloat in the 1860's, but only the *Violet*, *Lord Douglas* and *Admiration* were whaling in 1875. The *James Dwyer*, the last of the Gaspé Bay whalers, was purchased in Halifax in 1890 to replace the *Admiration*, but was wrecked at the St. John River on the north shore of the Gulf in October 1893 and its master, Joseph Tripp, died two years later at the age of seventy-two. All of the masters of these vessels were long-time residents of Gaspé Bay and many of the surnames (and some given names) are in the preceding list of shipbuilders. The greatest difference between this list and the former is that there are no Channel Island, Acadian or French-Canadian names. One Channel Island name which might be added to the list is Elias Todvin. All that is known of him is that when he died in 1867 at the age of seventy-eight he was a resident of St. Georges Cove and had been a shipmaster and whaler.



Figure 4

WHALE OIL PRICES AND NUMBER OF WHALING SCHOONERS

Average U.S. Price of  
Whale Oil Per Gallon (¢)



Sources: Whale oil prices from W.S. Tower, "A History of the American Whale Fishery," *University of Pennsylvania Series in Political Economy and Public Law*, XX (Philadelphia, 1907); footnotes 4 and 9.



TABLE 2  
GASPÉ WHALING SCHOONERS AND THEIR MASTERS

NAME	TONS	BUILT, YEAR	MASTER
1. unnamed		?	John Boyle
2. <i>Trial</i>	45	Gaspé, 1805	Wm. Annett
3. <i>Four Brothers</i>	51 34/94	Gaspé, 1808	Wm. Annett (1808) later A. Cass A. McInnis (1812)
4. <i>Mary Boyle</i>	80	Gaspé, 1811	John Boyle
5. <i>Eliza</i>	65 7/94	Gaspé, 1812	James Baker (1812) later Wm. Baker
6. <i>Good Intent</i>	48 87/94	Bay of Chaleur, (New Carlisle?) 1806	Abraham Coffin (1812) later F. Coffin
7. <i>Charlotte</i>	52 17/94	Gaspé, 1816	Richard Ascah
8. <i>Lord Wellington</i>	46 23/94	Gaspé, 1816	Thomas Daniel Johnston (1819)
9. <i>Ann</i>	75 34/94	Gaspé, 1816	John Patterson (1816) John Boyle (1825)
10. <i>Annabella</i>	87	Gaspé, 1818	George Boyle
11. <i>Antelope</i>	55 22/94	Gaspé, 1819	Thomas Miller (1819) John Miller (1827)
12. <i>Lively</i>	74	Gaspé, 1821	Richard Ascah
13. <i>Harmony</i>	47 19/94	Gaspé, 1823	Wm. Miller (1823) Allen Pike (1826)
14. <i>Ellen and Jane</i>	65 50/94	Gaspé, 1828	Felix Boyle
15. <i>Mayflower</i>	49 44/94	Gaspé, 1833	Wm. Annett (1833) Charles Stewart (1851) Richard Mullin (1852)
16. <i>Breeze</i>	66 77/94	Gaspé, 1833	Thomas Daniel Johnston (1834) William Harbour (1845)
17. <i>Rambler</i>	51 2703/3500	Gaspé, 1839	William Baker, Sr. (1840) William Baker, Jr. (1855) John Davis (1864)
18. <i>Perserverance</i>	69 1327/3500	Gaspé, 1840	Frederick Coffin, Jr.
19. <i>Defiance</i>	39 1454/3500 65 359/3500	Peninsula, 1843 rebuilt, 1853	William Annett
20. <i>Violet</i>	39 3199/3500 37.35	Gaspé Basin, 1847 rebuilt, 1858	Thomas Suddard (1847) Henry Suddard (1849)
21. <i>Admiration</i>	46.76 60.47	Gaspé Basin, 1855 rebuilt, 1867	Joseph Tripp
22. <i>John Stewart</i>	76 152/3500	Douglastown, 1855	Charles Stewart
23. <i>Highland Jane</i>	70 536/3500	Corner of the Beach, (Mal Bay) 1853	John Ascah (1856)
24. <i>Lord Douglas</i>	58.32	Douglastown, 1858	William Baker (1861) James Baker
25. <i>Osprey</i>	59.35	Gaspé, 1859	John Davis
26. <i>James Dwyer</i>	94.14	West Quoddy, N.S. (1870)	Joseph Tripp (1890)

Source: see text.



The beginning of the final decline of the Gaspé Bay whaling industry approximately coincides with the same technological and economic changes at the beginning of the final third of the nineteenth century which were noted in conjunction with the decline in shipbuilding. Undoubtedly, the most significant was the substitution of coal oil (kerosene) for whale oil in lighting (in 1869 one of the whaling schooner masters paid 40¢ a gallon for coal oil when he was getting 54¢ per gallon for his whale oil and the average U.S. price was \$1.01 3/4). In 1879 some emphasis was given by Pierre Fortin (who had been the commander of the first government-built Coast Guard vessel, *La Canadienne*) to depletion of the whale population as a major cause, but this is probably only partially true. The last right whales, which were the principal North Atlantic source of both oil and whalebone, were reported to have been taken in the early 1850's (1850 at Hermitage Bay, Newfoundland and 1854 at Kamouraska), but the best years for whale oil production were in the latter part of the same decade. Humpbacks, finners and the occasional blue whale continued to be taken for oil, but whereas the rising price of whalebone kept whaling profitable in the North Pacific, the whalers in the Gulf and nearby Atlantic could take little advantage of that option. At about the time that the Gaspé Bay whaling came to an end there were some short-lived attempts by Newfoundland and Canadian companies to whale in the Gulf, none of which appear to have had any success. However, Norwegian steam whalers began operations out of Newfoundland in 1897, and produced as much or more whale oil in 1899, 1900, 1901, 1902 and 1903 and again in 1905, 1906 and 1907 as the Gaspé Bay whalers are known to have done in any one year (no production figures have been found for 1904). Their more efficient methods of whaling may have done more to reduce the whale population in nine years than the combined efforts of the Gaspé Bay whalers in nine decades.

## MASTER MARINERS

In the discussion on shipbuilding it was noted that there was an abnormal distribution of Gaspé-built vessel tonnages between seventy and ninety-nine tons which seems to have reflected a means of circumventing regulations on the command of vessels of one hundred tons and more by master mariners. Besides that, although a coasting "ticket" had few formal requirements (for example, literacy and navigational skills were not essential), "coasting" could include voyages as far south as the West Indies and the River Plate in the Argentine. Thus, although most of the coasting and whaling were primarily within the St. Lawrence River and the Gulf, some masters (who are not known to have had more than a coasting ticket) made extended voyages during most of which they were out of sight of land. In addition, the large fishing companies generally used square-rigged vessels which, besides being registered in the Channel Islands, had masters whose homes were there as well. Under the circumstances it is not surprising that not only were master mariners a minority among the masters of Gaspé Bay vessels, but were in disproportionately small numbers to the population which grew steadily from about



five hundred in 1819 to about five thousand in 1901.

If residence on Gaspé Bay is used as a criterion, a list can be compiled which begins almost at the start of the nineteenth century. The first was James Patterson, who was described as a master mariner and trader in partnership with a George Meggison in 1803. He seems to have been at least briefly a resident of Gaspé Bay and had acquired property on the North West Arm in 1801. However, the two partners also appear as residents of Prince Edward Island in 1803, which leaves his permanent residence in doubt. He was later the commander of the Government Schooner *St. Lawrence* and appears to have lived for some time in Quebec City before he died in 1812. William Hall, who had married a daughter of the Boyle family a few years prior to 1810, was also a master mariner and around 1820 was master of the *Quebec*, one of the earliest steam vessels on the St. Lawrence River. He was apparently a resident of Gaspé Bay part of the time, and a daughter, who married the Point St. Peter merchant, Henry Bisset Johnston, had probably spent most of her life there up to the time of her husband's death.

However, neither Patterson nor Hall could be called full-time residents and the earliest reference to a master mariner who fitted that description was in 1833 to Felix Boyle, the young brother-in-law of William Hall. From then until the end of the century, an additional thirty Gaspé Bay men have been identified as master mariners (Table 3). The sources used in compiling these names are essentially the same as those used for the preceding list of shipbuilders and the same arrangement has been followed with the names in chronological order of the earliest reference. One of the uncertainties encountered is that "mariner" appears to have sometimes been used in the sense of "master mariner" with the result that some names have probably been left out. For the same reason some individuals do not appear in the list until they are known to have either reached an advanced age or to have died. Various scattered pieces of information suggest that the majority of them probably became master mariners prior to 1870.

As noted previously, Annett, Ascah, Baker, Boyle, Coffin, Johnston, Miller and Stewart were names of pre-1800 settlers, to which Tripp (a Loyalist family) can be added. Most of these names also appear in the lists of shipbuilders and whaling captains. Another group — Ahier, Briard, Hammond, LeBoutillier, Robert, Vibert, Vautier and (somewhat unexpectedly) Wilson — had their origins in the Channel Islands, although some individuals were second or third generation in Gaspé. Ahier, LeBoutillier and Wilson were merchants; Hammond was originally a fisherman who, by 1842, was the keeper of the South West Point lighthouse on Anticosti Island; the several Roberts were the sons of fishermen who had been at Grande Grève and its vicinity for at least two generations; and the surnames Briard, Vibert and Vautier have already appeared in the list of shipbuilders. Of the remainder, Baird was born in Scotland; Pye and the elder Quigley were from Ireland; and Adams, Suddard and West were the sons of men who had come to Gaspé Bay in the first half of the 1800's. Although there were master mariners of Adacian and French-Canadian origins elsewhere along the Gaspé coasts (notably on the Bay of Chaleur), there are no indications of any resident at Gaspé Bay as late as the 1890's.

From the limited amount of information which has so far been assembled some of the Gaspé Bay master mariners appear to have spent all of their careers on the eastern



TABLE 3  
GASPÉ MASTER MARINERS\*

James Patterson:	1803
William Hall:	1828
Felix Boyle:	1833, 1848
Thomas Daniel Johnston:	1834
Neil Ascah:	1835
John Baker:	1836
John Hammond:	1839
Henry Stewart:	1840
John Francis Wilson:	1841
Francis Ahier:	1841
John LeBoutillier:	1844
William Baker:	1846
William Baker, Jr.:	1846
Thomas Boyle:	1846
David Baird:	1846, 1857, 1859, 1861, 1871, 1886
Robert Baker:	1847
John Vibert:	1849
Frederick Coffin:	1850
Henry Suddard:	1851, 1884
John Arthur Vibert:	1854, 1855, 1858, 1871
Peter Robert:	1855
William West:	1855, 1864
Peter Briard:	1855, 1856, 1857, 1894
William Annett:	1861, 1871
George Douglas Miller:	1861, 1863
Charles Stewart:	1866
Thomas Francis Robert:	1868
Abraham Vautier:	1871
Thomas Robert:	1875
Robert Pye:	1880, 1893
John Ascah:	1880, 1894
Edward Quigley:	1883
Richard Miller:	1888, 1897
John Robert:	1888, 1890
Thomas Adams:	1890
William Robert:	1890
Joseph Tripp:	1890
John Quigley:	1895

\*Other master mariners are to be found in Table 2. Source: see text.



seaboard of the Americas (mainly over the thousand miles from Quebec City to Halifax, but also from Labrador to the Argentine), while others regularly or occasionally sailed to British, Iberian or Mediterranean ports. One example of the kind of information on which these suppositions are based is the Daily Customs Register of the Port of Gaspé for vessels entering from outside the Province of Canada during the period from 1852 to 1857. This is one of the more continuous records which has been located but information on either outward bound destinations or coasting voyages within the Province have to be found elsewhere. References in the Customs Register to men who are included in the list of master mariners have been summarized in Table 4.

The increased traffic to Halifax and New York which began in 1855 is a reflection of the signing of the Reciprocity Treaty with the United States in that year and the establishment of Gaspé Bay and a number of other eastern Canadian ports as a free trade area. The termination of the Treaty in 1866 coupled with the increasing use of steam-powered vessels and the completion of the Intercolonial Railway marked the beginning of the end for the independently-owned Gaspé Bay coasting schooners and their master owners. Schooners continued to be used well into the present century but mainly for low cost, bulky items (dried fish, lumber, coal and stone), and the ownership came progressively into the hands of merchant firms. From the 1870's onwards a Gaspé Bay master mariner was more likely to be an employee than self-employed. Some continued in the coasting trade; some of the more elderly became semi-retired and only made occasional trips to the North Shore and across the Gulf as pilots; and a few became the masters of Canadian and American-owned private yachts which were based at Gaspé Bay during the 1890's. However, their maritime traditions continued with their descendants, one of many aspects of which can be illustrated with a final list of names. In 1934 more than half of the "upper deck" officers of the "Gaspé Navy" (in more formal terms, the Marine Section of the RCMP) were from Gaspé Bay. Two of the names have not been noted previously — Pelletier and Rioux — but the others are an echo of the master mariners of the 1880's — A. Ascah, J. Ascah, W. Ascah, H. Coffin and P. Robert.

## CONCLUSION

During the 1800's, the shipbuilders, whalers and master mariners of Gaspé Bay formed part of a distinct maritime social unit and had a history which was largely independent of either the cod fishermen or the Jersey fishing companies. Many of them could be described as the heads of family partnerships with economic links to merchants in Quebec City and Halifax. They were mainly, but not exclusively, English-speaking, most were either Anglican or Wesleyan Methodist and, within the constraints of language and religion, usually married within their social group. Their maritime activities appear to have begun abruptly at the start of the nineteenth century, reached a peak during the middle third of the century and then, under the pressures of technological and economic change, underwent a rapid decline during the final third. Shipbuilding and whaling had ended before the close of the nineteenth century, but the traditions of the master mariners continued into the twentieth.



TABLE 4

## SELECTED VOYAGES BY GASPÉ MARINERS

MASTER AND VESSEL	1852	1853	1854	1855	1856	1857
John Arthur Vibert Brig'n <i>St. Anne</i> , 139 tons	Halifax, N.S.	Liverpool, G.B.	Liverpool, G.B. Ponce, Porto Rico	Ponce via Quebec New York *	New York *	New York *
Abraham Vautier Schr. <i>Aurora</i> , Schr. <i>Reward</i> , 54 tons	Cadiz, Spain			Halifax, N.S. Pr. Ed. Isl.	Halifax, N.S.	Halifax, N.S.
David Baird Schr. <i>Caledonia</i> , 75 tons Schr. <i>Canopus</i> , 64 tons			Dalhousie, N.B.			Portugal
Peter Briard Brig'n <i>Lady Maxwell</i> , 79 tons				Cadiz, Spain	Jersey, C.I.	Bristol, G.B.
Joseph Tripp Schr. <i>Admiration</i> , 46 tons**				Dalhousie, N.B.	Halifax, N.S.* Pr. Ed. Isl.	Halifax, N.S.* Pr. Ed. Isl.
Frederick Coffin Schr. <i>Perseverance</i> , 69 tons**					Pr. Ed. Isl.	Pr. Ed. Isl.
Charles Stewart Schr. <i>John Stewart</i> , 76 tons**					Caraquet, N.B.	
John Ascah Schr. <i>Highland Jane</i> 70 tons**						Halifax, N.S.
Peter Robert Schr. <i>St. Ignace</i>						Halifax, N.S.
William Baker Schr. <i>Aid</i> , 22 tons						Halifax, N.S.

\*More than one arrival during year.

\*\*Whaling Schooner.

Source: Daily Customs Register, Port of Gaspé, Public Archives of Canada, Ottawa.



## NOTES

1. Despite the fact that during the 1800's the building and manning of wooden sailing vessels was an important part of the local economies of not only Gaspé Bay but also Mal Bay, Paspebiac, New Carlisle, Bonaventure and the Restigouche area, virtually nothing has been written about the Gaspé coast equivalent to the "library" of books and pamphlets which are available on the maritime histories of various parts of the Atlantic Provinces or New England.
2. The early history of Gaspé Bay up to 1759 has been dealt with in a number of secondary sources, the most complete of which is probably David Lee, *The French in Gaspé* (Canadian Historic Sites Occasional Papers, 1970). However, the period from 1760 to 1820 is almost completely untouched and there is no entirely satisfactory published material concerning the remainder of the nineteenth century. A manuscript monograph by David Lee for the period 1760 to 1867 is helpful for the general background, but concentrates mainly on the inattention of government, the Charles Robin Company at Paspebiac, the Indians on the Bay of Chaleur and, in the process, errs in some respects. A local history by Margaret G. MacWhirter, *Treasure Trove in Gaspé and the Baie des Chaleurs* (Quebec, 1919), is generally reliable, particularly for the sixty to seventy odd years prior to its publication. Two others by C.E. Roy, *Gaspé depuis Cartier* (1934) and *Historical Gaspé* (1934) are ostensibly the French and English translation of the same book but differ in detail. In both versions the author has an unfortunate tendency to either describe events separated by as much as a century as contemporaneous, or give events in reverse sequence, or on occasion to ignore certain aspects for which information was readily available.
3. See statements concerning the Magdalen Islands in W.G. Gosling, *Labrador* (London, 1910).
4. There are a substantial number of manuscript documents concerning Gaspé Bay stored in the Public Archives at Ottawa, many of which have apparently not been utilized by previous writers. Among the most useful for the present purpose have been the Ship Registers of the Ports of Quebec, Gaspé and New Carlisle which, in addition to data on the vessels, give the names, residence and occupation of the owners and somewhat sporadically, those of builders and masters and information on transfers, mortgages, wrecks, etc. The manuscript censuses of 1765, 1777, 1819, 1825, 1831, 1861 and 1871 (1842 and 1851 are missing) have also been utilized although only the last two have much direct information on maritime activities. A great deal of background information on the "blank period" from 1760 to 1820 has been found in the Lower Canada Land records, the Haldimand Papers (for example, correspondence between Felix O'Hara, the Lieutenant-Governor of Gaspé, Nicholas Cox, and Governor Haldimand at Quebec) and a miscellany of other documents.
5. Out of the total of 460 vessels identified as having been built on the Gaspé coast between 1762 and 1895, only sixty-eight were square-rigged and except for a very small number of sloops and shallops almost all the remainder were two-masted schooners. Among the square-rigged vessels, fifteen were registered as less than one hundred tons and eleven as 150 tons or more. The largest was the 638-ton *Hamilton* built at the Restigouche in 1842 and the next largest the 375-ton *Annabella* built at Gaspé Basin in 1827. Only seven schooners were more than one hundred tons, the largest being the 121-ton *Sea Bird* built at Nouvelle in 1841. This last was also the only three-masted schooner built on the Gaspé coast during the 1800's.
6. These percentage changes are based on registered tonnages of vessels which were originally measured under the old regulations and then re-measured and re-registered under the new regulations. Individual vessels sometimes showed a percent change in tonnage which was substantially different from the average.
7. The data from Cape Breton is biased to some extent by the fact that the peak vessel building period in Gaspé was in the middle third of the century whereas the peak in Cape Breton came in the final third. See J.P. Parker, *Cape Breton Ships and Men* (North Sydney, 1967).
8. Documentation from other sources includes church registers of birth, deaths, baptisms and marriages from Anglican parishes, the earliest of which date from 1823, but occasionally provide information of an earlier date. Depending on the recording style of individual ministers, these sometimes include information on occupations. The Roman Catholic church records for the whole coast, up to 1850, have been summarized in the typescript "Les Registres de la Gaspésie, 1752-1850"



by Patrice Gallant (1961) but there is relatively little concerning Gaspé Bay and occupations are only mentioned in rare instances. For reasons that were sometimes legal, sometimes ecclesiastical and sometimes simple expediency, a variety of other denominations including Roman Catholic can sometimes be found in the Anglican records and conversely Protestants appear in the early Roman Catholic records. Privately published memoirs, family documents and anecdotes collected from descendents of Gaspé Bay mariners (sometimes in the original but more often as xerox copies and handwritten memoranda), have been another source of information which, although occasionally contradictory and difficult to interpret, have been very useful.

9. Published information on the early whaling in the estuary and Gulf of St. Lawrence can be found in René Belanger, *Les Basques dans l'Estuaire du St. Laurent* (Montreal, 1971); J.N. Fauteaux, *Essai sur l'Industrie au Canada sous le Regime Francais* (Quebec, 1927); W.G. Gosling, *Labrador* (London, 1910); some additional material in W.S. Tower, "A History of the American Whale Fishery," *University of Pennsylvania Series in Political Economy and Public Law*, XX (Philadelphia, 1907). However, except for a series of Canadian government reports on the fisheries by Pierre Fortin (1858 to 1865), there is little but passing commentaries from the 1770's until the start of the Norwegian whaling at the end of the nineteenth century which was first described in J.G. Millais, *Newfoundland and its Untrodden Ways* (London, 1907). In addition to the foregoing secondary sources, bits of information have been gleaned from a large number of government publications, the *Quebec Gazette*, travel memoirs and local history essays (for example, papers in the *Revue d'Histoire de la Gaspésie*), recognizing that, in the latter two categories, scholarly precision may be somewhat uneven.

10. M.H. Perley, "Fisheries of the Gulf of St. Lawrence," *Canadian Naturalist*, 1859 (reprint of an 1849 report to the New Brunswick House of Assembly).

11. R.H. Bonnycastle, *Newfoundland in 1842* (London, 1842), II.

12. Margaret G. MacWhirter, *Treasure Trove in Gaspé...*

13. Thomas Pye, *Canadian Scenery — District of Gaspé* (n.p., 1866).







12. NOUVELLES DE MER: THE  
RISE OF JERSEY SHIPPING,  
1830–1840

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# NOUVELLES DE MER: THE RISE OF JERSEY SHIPPING, 1830-1840

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Recent research in the Gulf of St. Lawrence and in Newfoundland – and, more specifically, on the cod trade in these areas – has indicated that Jersey enterprises dominated the Gulf of St. Lawrence trades in much the same way as West Country interests dominated the Newfoundland cod trade. Most studies of the cod trade, however, have been concerned primarily with the Gulf and Newfoundland “production” areas, and have touched only lightly on the wider transatlantic network of markets and supply centres. In this respect, it has been noted that

Newfoundland was obviously an important link in the various trading geometries of the North Atlantic, and about this whole subject we know surprisingly little.<sup>1</sup>

This paper is a first attempt in that direction, but with the Canadian maritime area being considered as a unit rather than Newfoundland being considered alone. It will seek to throw light on the wider background of Jersey trade between 1830 and 1840 – the years of growth and boom in the Gulf fisheries – using Jersey as the principal focus, indicating connections between market and supply patterns (“geometries”) and showing the relationship of the cod trade to these networks, which together comprised the whole Jersey carrying-trade economy.

The major data sources for this paper are the “Nouvelles de Mer” of the *Chronique de Jersey*, 1830-1840, and the Ships’ Registers of Jersey, 1803-1840. From time to time material will be drawn from other sources, such as firms’ letterbooks, in order to provide fine detail which is missing from the wider picture given by the basic data. The “Nouvelles de Mer” are the shipping news of the local St. Helier newspaper, and were published once-weekly in 1830 and twice-weekly by 1840. They contain sailings “inwards” and “outwards” (*arrivages* and *sorties*) for all ports where Jersey shipping was involved.<sup>2</sup> The Ships’ Registers start in 1803, and have been examined from 1803 to 1840, inclusive. Along with detailed information on vessel specification, they give name of vessel, master, owner(s), where and when built, tons burthen, number of shares per owner and a complete record of sale or mortgage transactions.

Table 1 shows the growth of Channel Island (Jersey and Guernsey primarily) shipping from 1831-1863, set beside the growth of United Kingdom shipping for the same period. While the enormous difference in magnitude between the absolute numbers of the two sets of figures is so great as to discourage direct comparison, nevertheless it is an indication of the rate of growth of Channel Island shipping – that the latter is relatively greater than United Kingdom growth in a period when the United Kingdom is itself experiencing considerable maritime expansion. The study period of 1830-40 is that in which the rise of Jersey shipping can first be seen clearly; an examination of the trading voyages of these ships should reveal the structure of this growing network of



shipping, and the position of the cod trade within it.

TABLE 1  
CHANNEL ISLAND AND UNITED KINGDOM SHIPPING GROWTH  
1831-1863

	CHANNEL ISLANDS		UNITED KINGDOM	
	Built and Registered	Registered	Built and Registered	Registered
1831	20	508	730	18,942
1841	78	714	1,370	22,747
1863	46	915 (1862)	1,285	27,525 (1862)
Growth % 1831-41	74%	29%	47%	17%
Growth % 1831-63	57%	44% (1862)	43%	31% (1862)

Source: Mercantile Navy Lists, 1864, ii, tables 1 and 2.

Figure 1(A) shows the voyage of one ship, taken from the "Nouvelles de Mer" for 1840; all voyages for 1830 and 1840 were reconstructed in this way. Gaps in the data were filled by an estimation of the latest possible date at which the missing section could end. Thus it was necessary for the *Teaser* to be in Jersey by April if she were to arrive at Gaspé in early May. Figure 1(B) shows the next step in data sorting. Ports of call occurred in various areas which could be broadly classified according to commodity group; this classification was used to group ports in order to chart voyages in a consistent and comparable manner. Names of ports were retained, however, in case separate trades were found to occur within a commodity area.<sup>3</sup> Even ports which, strictly speaking, were outside the geographical limits of an area were included if it were thought that their principal commodities were part of the nearby areal commodity group. Thus Lisbon, trading in salt, fruit and wine, was included in the Mediterranean group. No attempt was made, at this stage, to identify specific freights on specific voyages as belonging to one (or more) trade networks.

The first examination of the data was designed to investigate the seasonality of the Jersey trading network. Because the cod trade was highly seasonal (see Figure 2), it was hypothesized that other trades might interlock with it to create a year-round trading operation. Figure 3(A) shows the number of ships in each trade area for each month of the year in 1830; Figure 3(B) gives the same information for 1840.<sup>4</sup> In both 1830 and 1840, the cod trade would appear to fit seasonally into the Mediterranean pattern, in that



Figure 1

## VOYAGES OF THE TEASER (LE BOUTILLIER, MASTER)

A.

7-12-1839	Baie des Chaleurs	TO	Valencia	IN
29-12-1839	Valencia	TO	Cadiz	OUT
1-1-1840	Valencia	TO	Cadiz	IN
circa 4-1840	Cadiz	TO	Jersey	IN
12-5-1840	Jersey	TO	Gaspé	IN
circa 7-1840	Gaspé	TO	Jersey	IN
31-8-1840				
or 1-9-1840	Jersey	TO	Cadiz	IN
26-9-1840	Cadiz	TO	Alicante	OUT
5-10-1840	Cadiz	TO	Alicante	IN
22-10-1840	Cadiz	TO	Messina	IN
6-11-1840	Messina	TO	Palermo and London	OUT
9-11-1840	Messina	TO	Palermo	IN
23-11-1840	Palermo	TO	Falmouth	OUT

B.

S.A.	MED.	BRIT.	AFR.	CARIB.	COD	H/A	BALTIC
	Val. X				X B. de C.		
	Cad. X	X Jer.					
	Cad. X	X Jer.			X Gaspé		
	Mes. X	X Fal.					
	Pal. X						
X Santos				X Hav.			X Els.
							X Swi.
							X Stettin
							St. Pg.
		X London					

## KEY:

S.A.	=	South American Coast, mostly Brazil	Val.	=	Valencia
Med.	=	Mediterranean, including Lisbon	Cad.	=	Cadiz
Brit.	=	Britain, including Jersey	Mes.	=	Messina
Afr.	=	African coast, usually River Gambie	Pal.	=	Palermo
Carib.	=	Caribbean	Jer.	=	Jersey
Cod	=	British North America, especially the Gulf of St. Lawrence and Newfoundland	Fal.	=	Falmouth
H/A	=	Hamburg/Anvers, basically a Netherlands trade	B. de C.	=	Baie des Chaleurs
Baltic	=	Elsinore and the Baltic Ports	Hav.	=	Havana
			Els.	=	Elsinore
			Swi.	=	Swinemunde
			St. Pg.	=	St. Petersburg

Source: see text.



cod trade “highs” occur during the period of Mediterranean “lows.” In 1830 a similar pattern can be detected for South America with respect to cod, while conversely the Caribbean “high” occurs at the same time as that of the cod trade. The Baltic “high” does likewise. In 1840, however, the South American trade has two peaks: one in the summer, concurrent with cod, and the other (a smaller peak) in October/November. In both 1830 and 1840, the British coasting trade peaks after the cod trade, and in 1840 it also peaks before it. There is an immense rise in the coasting trade in 1840 compared to 1830.

The patterns outlined above suggest that there may exist a relationship between the various areas which might work itself out in a series of supply, production and market areas. For example, the hypothesis could now be refined to suggest the following:

1. A *supply* relationship (salt? wine? fruit?) between the Mediterranean and ships in Jersey bound for the cod areas, shown in the *March* Mediterranean peak.

2. A *production* peak in the cod trade, which is known to exist from *May to August/September* (the fishery itself having seasonality within the cod areas). Ships entered the area prior to the fishing season, with labour and supplies from Jersey, Britain and the Mediterranean.

3. A possible *supply* relationship between the cod trade and South America, at least in 1830; or a trading relationship of freights and markets between South America and Hamburg/Anvers in both years: the Hamburg/Anvers trade peaks in *March and May* in 1830, and may reflect a connection between South America and Hamburg/Anvers which is interrupted by the cod trade as it commences in April.

4. An *exchange* relationship (which is known to exist in 1830) between the Caribbean and the cod areas would fit in with the similar phasing of peaks and troughs in both these trades: cod operating as a market good in the Caribbean, in exchange for rum, molasses and sugar as supply goods either for the cod areas, or shipped through them to other markets.

5. Britain and the Mediterranean as *markets* for the produce of the cod trade. This accounts for increasing “highs” in these areas as the cod trade diminishes in *September/October*.

6. A mid-winter *supply* (provisions) trade to Jersey from the Mediterranean, accounting for the *January* peak. However, these suggested relationships cannot be demonstrated from Figures 2 and 3, since connectivity between the bar-graphs cannot be assumed.

To achieve some idea of connectivity between trade areas, a series of matrices were constructed from the “Nouvelles de Mer” (in the format shown in Figure 1B), tallying the number of trips between trade areas. Tables 2 and 3 show these tally matrices.<sup>5</sup> The first order matrices are simply any one leg of a voyage; the second order matrices then show the next (i.e., following) leg of the voyage. Progression, in terms of the first actual leg to the second actual leg of a voyage, is not assumed. The matrices are read as follows:

First order: there were in 1830 thirteen direct sailings made between a South American port and another South American port; six between a South American port and a Mediterranean port, etc.



Figure 2

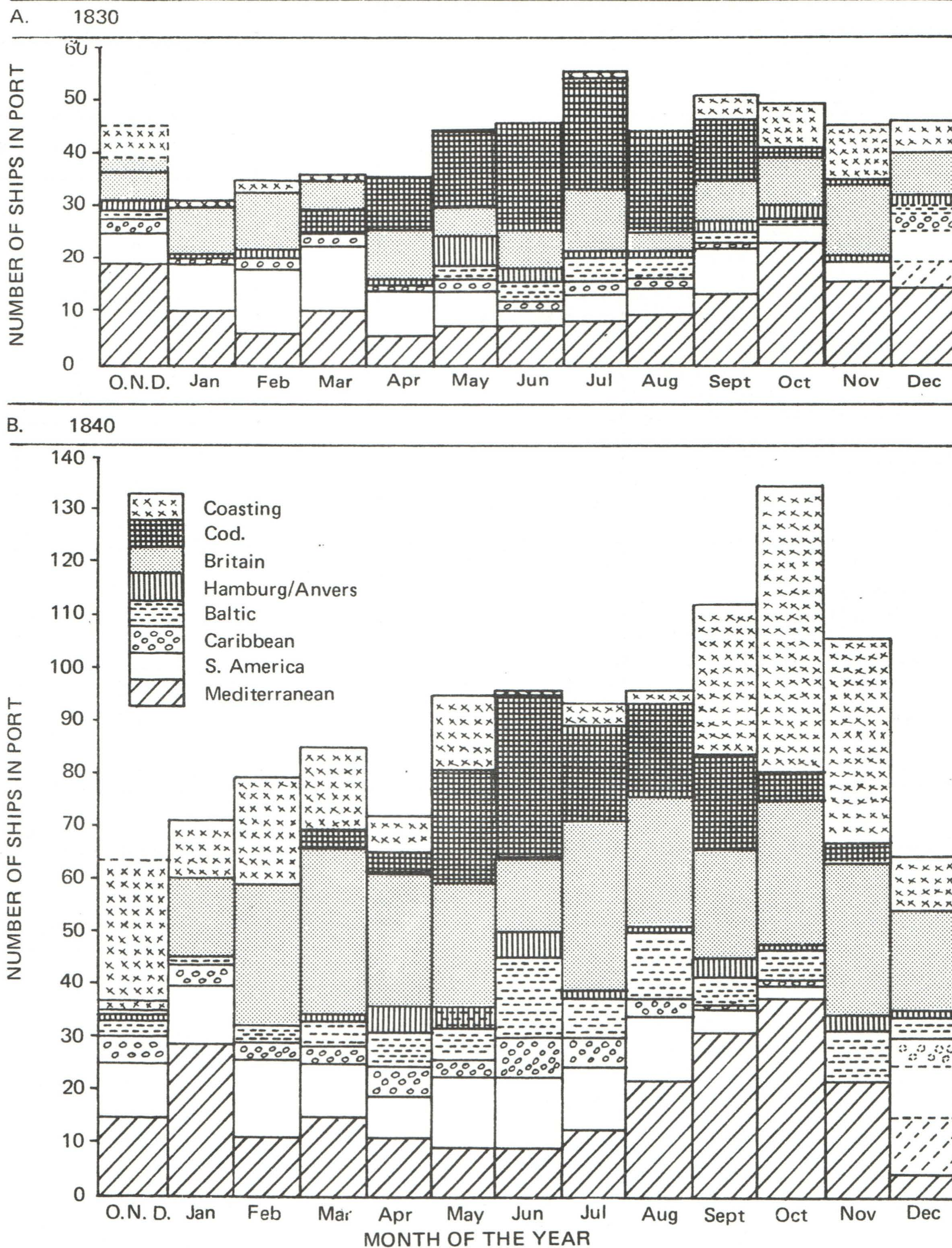
## SEASONALITY IN THE COD FISHERY: 1830

SHIPS ARRIVING AT:	APRIL	MAY	JUNE	JULY	AUGUST	SEPT.	TOT.
ARICHAT	■ ■ ■ ■ ■ ■			■ ■			7
PASPEBIAC + GULF	■ ■ ■	■ ■ ■ ■ ■ ■	■	■			10
RICHIBUCTO/ QUEBEC/HALIFAX	■	■ ■		■			4
FORTEAU/ LABRADOR		■	■ ■ ■		■		5
"TERRE NEUVE"		■ ■ ■	■ ■	■ ■	■	■	9
	9	11	6	6	2	1	

Source: "Nouvelles de Mer."



Figure 3  
SEASONALITY OF TRADING



Source: "Nouvelles de Mer;" see footnote 4.



Second order: there were in 1830 three direct sailings made between one South American port and another South American port after having first been in yet another South American port; two direct sailings made between a South American port and a Mediterranean port after having first been in another South American port, etc. Coasting (U.K. to Jersey) trips have been removed, since we are concerned primarily with international trade patterns.

TABLE 2  
CONNECTIVITY, 1830

	S.A.	MED.	BRIT.	CARIB.	COD	H/A	BALTIC	TOTALS
<b>First Order</b>								
S.A.	13	6	11	—	—	14	1	45
Med.	17	25	40	1	5	2	1	91
Brit.	12	62	23	11	30	6	6	150
Carib.	—	1	5	2	7	1	—	16
Cod	4	21	8	7	8	—	—	48
H/A	—	2	9	—	—	1	1	13
Baltic	—	1	7	—	—	—	3	11
Total	46	118	103	21	50	24	12	374
<b>Second Order</b>								
SA/SA	3	2	2	—	—	4	—	11
SA/Brit	1	—	1	—	—	4	—	6
SA/HA	—	1	4	—	—	1	—	6
Med/SA	6	1	3	—	—	4	—	14
Med/Med	4	3	11	—	1	—	—	19
Med/Brit	1	3	8	1	2	—	—	15
Brit/SA	3	1	3	—	—	2	1	10
Brit/Med	2	14	15	—	3	—	1	35
Brit/Brit	—	1	3	—	2	1	—	7
Brit/Car	—	1	4	1	1	1	—	8
Brit/Cod	2	5	3	2	7	—	—	19
Cod/Med	—	6	6	—	1	—	—	13
Cod/Brit	—	2	1	—	2	—	—	5
Cod/Car	—	—	—	—	7	—	—	7
Cod/Cod	1	5	1	—	2	—	—	9
Total	23	45	65	4	28	17	2	184

Source: "Nouvelles de Mer."



TABLE 3  
CONNECTIVITY, 1840

	S.A.	MED.	BRIT.	AFR.	CARIB.	COD	H/A	BALT.	TOTALS
<b>First Order</b>									
S.A.	7	6	26	3	2	2	9	—	55
Med.	17	75	91	—	1	22	—	1	207
Brit	30	94	92	8	22	41	19	29	335
Afr.	4	—	6	—	—	—	1	—	11
Carib	—	2	20	—	5	1	1	1	30
Cod	7	32	19	—	3	17	—	—	78
H/A	—	—	18	—	1	1	6	3	29
Balt	—	—	46	—	—	1	1	48	96
Total	65	209	318	11	34	85	37	82	841
<b>Second Order</b>									
SA/Brit	—	—	7	—	—	—	10	—	17
SA/HA	1	—	1	—	1	1	2	2	8
Med/SA	2	—	6	1	—	—	1	—	10
Med/Med	1	29	26	—	—	5	—	—	61
Med/Brit	—	3	30	—	—	9	—	—	42
Med/Cod	2	8	3	—	—	3	—	—	16
Brit/SA	2	3	10	1	—	—	1	—	17
Brit/Med	11	39	14	—	—	10	—	—	74
Brit/Brit	3	6	24	3	3	2	1	1	43
Brit/Car	—	—	13	—	5	—	—	—	18
Brit/Cod	—	13	7	—	1	11	—	—	32
Brit/HA	—	—	11	—	—	—	1	1	13
Brit/Bal	—	—	2	—	—	—	—	22	24
Car/Brit	—	2	8	—	—	—	1	—	11
Cod/Med	—	23	4	—	—	3	—	—	30
Cod/Brit	—	7	4	—	—	1	—	—	12
HA/Brit	3	1	5	—	—	—	1	—	10
Bal/Bal	—	—	26	—	—	1	1	15	43
Total	25	134	201	5	10	46	19	41	481

Source: "Nouvelles de Mer."

The most heavily travelled routes in 1830 (by trip of one leg) were as follows:

Britain <sup>6</sup>	to the	Mediterranean ..	62 trips
Mediterranean	to	Britain .....	40 trips
Britain	to	Cod .....	30 trips
Mediterranean	to	Mediterranean ..	25 trips
Britain	to	Britain .....	23 trips
Cod	to	Mediterranean ..	21 trips



Britain was the most connected area (150 trips), the Mediterranean was second (91 trips) and Cod and South America were third and fourth, respectively, with 48 and 45 trips. In terms of "more than one " legs, Britain to the Mediterranean to Britain was the most travelled (15 trips), Britain to the Mediterranean to another port in the Mediterranean was next (14 trips) and the Mediterranean to the Mediterranean to Britain was third (11 trips). Thereafter came the Mediterranean to Britain to Britain (8 trips) and finally Britain to Cod to another port in the Cod area along with Cod to the Caribbean to Cod (7 trips each).

In 1840 the most connected areas (one leg) were:

Britain	to the	Mediterranean .	.94 trips
Britain	to	Britain . . . . .	.92 trips
Mediterranean	to	Britain . . . . .	.91 trips
Mediterranean	to	Mediterranean .	.75 trips
Baltic	to	Baltic . . . . .	.48 trips
Baltic	to	Britain . . . . .	.46 trips
Britain	to	Cod . . . . .	.41 trips

Britain was again the most connected area (335 trips), the Mediterranean second (207 trips), the Baltic third (96 trips), and Cod fourth with 78 trips. The connection between Cod and the Caribbean (7 trips in 1830) was now reduced to 3 trips, while the connection between the Caribbean and Britain had expanded from 5 trips in 1830 to 20 trips in 1840. In terms of two-leg trips, Britain to the Mediterranean to another port in the Mediterranean was now first with 39 trips, then Mediterranean to Britain to another port in Britain (30 trips), followed by Mediterranean to another and then another Mediterranean port (29 trips). These were succeeded in descending order by Mediterranean to Mediterranean to Britain (26 trips), Baltic to Baltic to Britain (also 26 trips), Britain to Britain to Britain (24 trips), Cod to Mediterranean to Mediterranean (23 trips), and finally Britain to Baltic to Baltic (22 trips). The technique can be extended through several-leg trips, but becomes rather unwieldy and the numbers very small.

The major advantage of the matrices is that they help to identify a variety of trading voyage networks, to indicate links between these and also within them. The rise of the Baltic trade by 1840, for example, shows clearly, as does the weakening of the Cod-Caribbean connection; the latter was probably a result of the emancipation of slaves in 1834 and a consequent decline in demand for poor-quality fish as slave food in the British West Indies plantations.<sup>7</sup> The dominance of the British-Mediterranean trade links were also obvious in both 1830 and 1840, as was the centrality of Britain (including Jersey) to the whole system.

Figures 4 to 7 are a series of flow diagrams constructed from the tally matrices to show some of the connectivities involved. Figure 4 shows the cod trade connections for 1830; Figure 5 shows them for 1840. In 1830 Britain was the major supply area *into* the cod trade (30 trips), while the Mediterranean was the major market *out* of the trade (21



trips). The Cod-Caribbean connection (a direct two-way flow of 7 trips) is obvious; there was only a one-way flow to South America, which did not, therefore, appear to have a reciprocal trade with the cod areas at this time. The postulated connection (Figure 2) of the seasonality charts – that South America might have been supplying the cod areas – was not true for 1830. The variety of combinations of routes between Cod, Britain and the Mediterranean (production, supply and market areas) is clearly seen.

In 1840 the cod trade pattern was more complex, and all other major trade areas in the Jersey system were now connected, although sometimes tentatively. Again it is obvious that Britain was supplying the cod areas, the Mediterranean was the principal market, and the link with the Caribbean was decreasing. Notice also that the combinations within the basic Britain-Cod-Mediterranean triangle were becoming more complex: there was an increased flow from the Mediterranean to the cod areas, and between the Mediterranean and Britain. Figure 6 shows the British network for 1830; Figure 7 shows the same network in 1840. A major change had occurred: there had been considerable growth, strengthened connections and a reduction of the Caribbean trade to a more direct two-way bond with Britain.

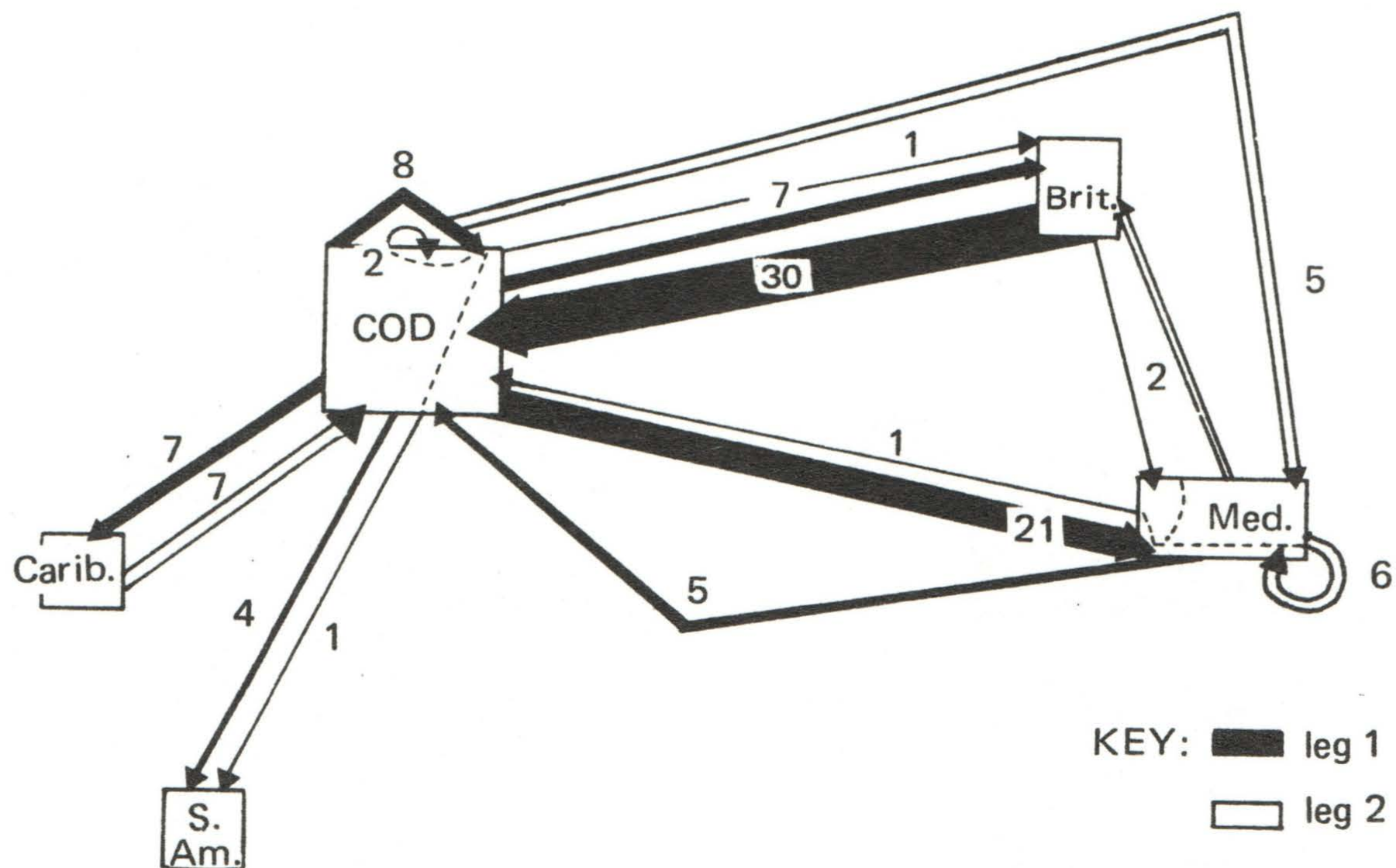
One problem with this technique, however, is that it fails to take into account the effect of distance on the number of trips possible in one year. As a consequence, it could be argued that the nearer trades are over-represented in terms of importance to Jersey, while the more distant trades are made to appear less important than they might in fact be. In an attempt to counteract this, a matrix (Table 4) was drawn up for 1830 using tonnage sailing each leg in place of number of trips made, on the assumption that larger vessels sailed the longer routes. Table 4(A) shows the absolute tons burthen in 1830; Table 4(B) shows average tons burthen, and the actual number of trips made. In Table 4(A) the relative strengths of the various connectivities remain approximately the same as those shown in the tally matrix for the same year, but some shift toward more distant routes is visible in Table 4(B). The Baltic to Baltic connection now led, Caribbean to Britain was second, Cod to South America was third, and South America to Mediterranean was fourth. However, the actual number of ships involved in some routes was small enough to render averages virtually useless. Moreover, tonnage may be more a measure of freight bulk than of distance or of the value and importance of a route. A solution to the problem of removing the distance effect from the matrices is now, therefore, being sought along other lines.<sup>8</sup>

The analysis did, however, indicate the need for a redefinition of the trading patterns, and different trades could now be distinguished on the basis of the connectivities established by the matrices. This allowed a distinction to be made, for example, between such routes as the South America to the Mediterranean to Britain trade pattern; the South America to Britain to Hamburg/Anvers and/or the Baltic; the Britain to the Caribbean to the Mediterranean to Britain; and the Baltic to Britain routes. Appendix I shows the generalised diagrams of the different trade patterns for Jersey as they emerged from the matrices. These are the principal “various trading geometries” of the island in 1830 and 1840.<sup>9</sup>



Figure 4

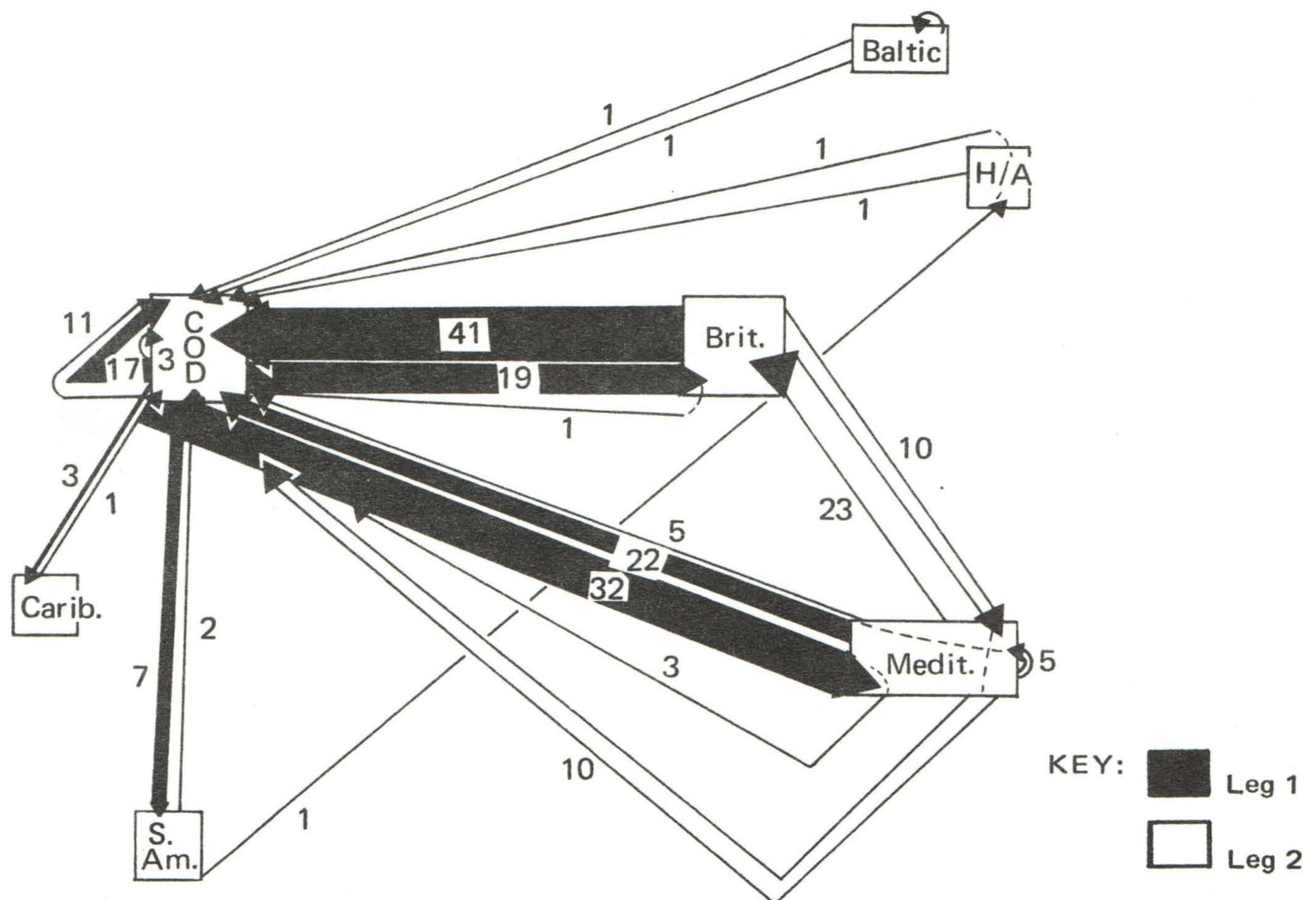
THE COD TRADE: 1830



Source: "Nouvelles de Mer."

Figure 5

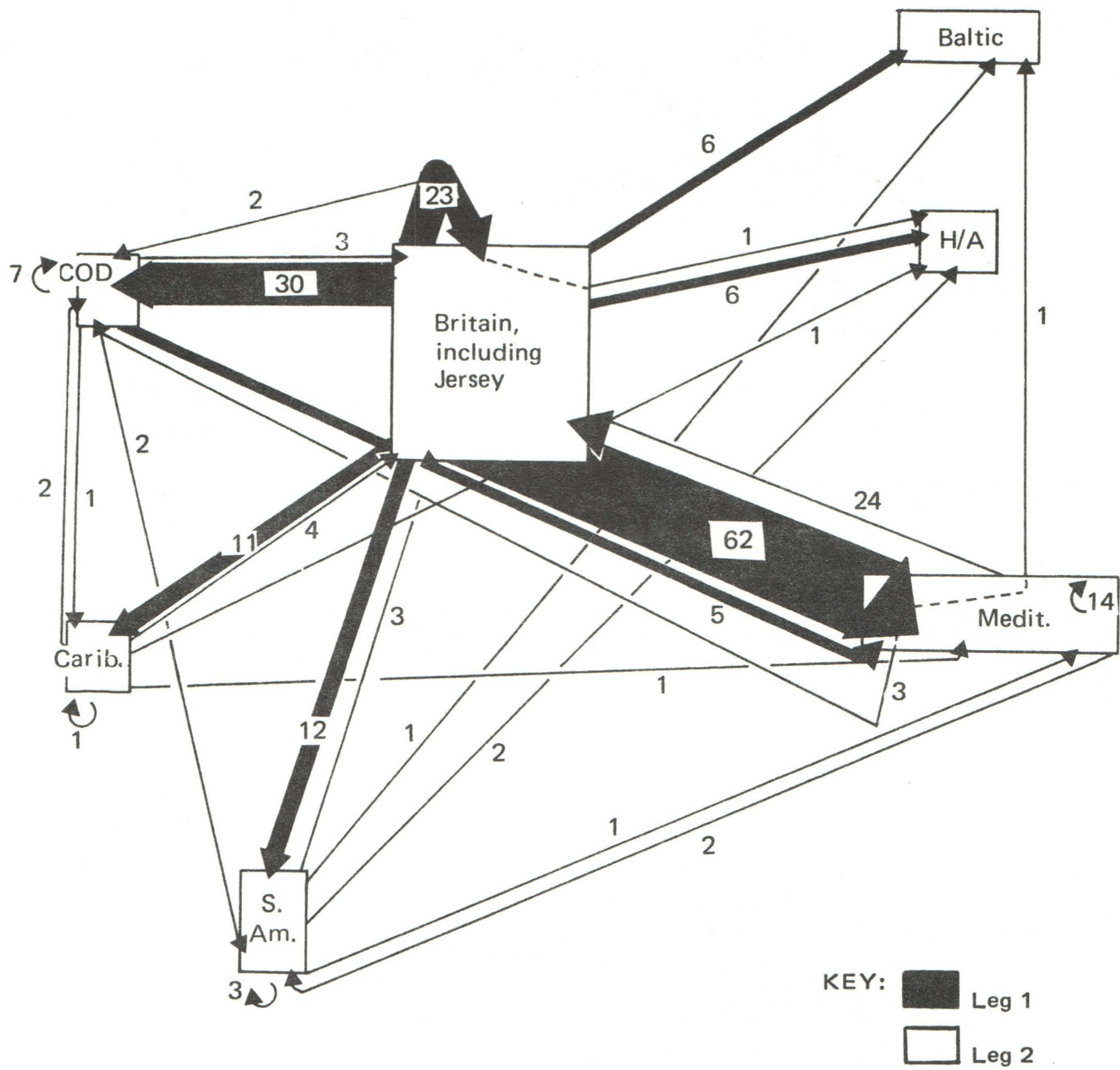
THE COD TRADE: 1840



Source: "Nouvelles de Mer."



Figure 6  
BRITAIN: 1830

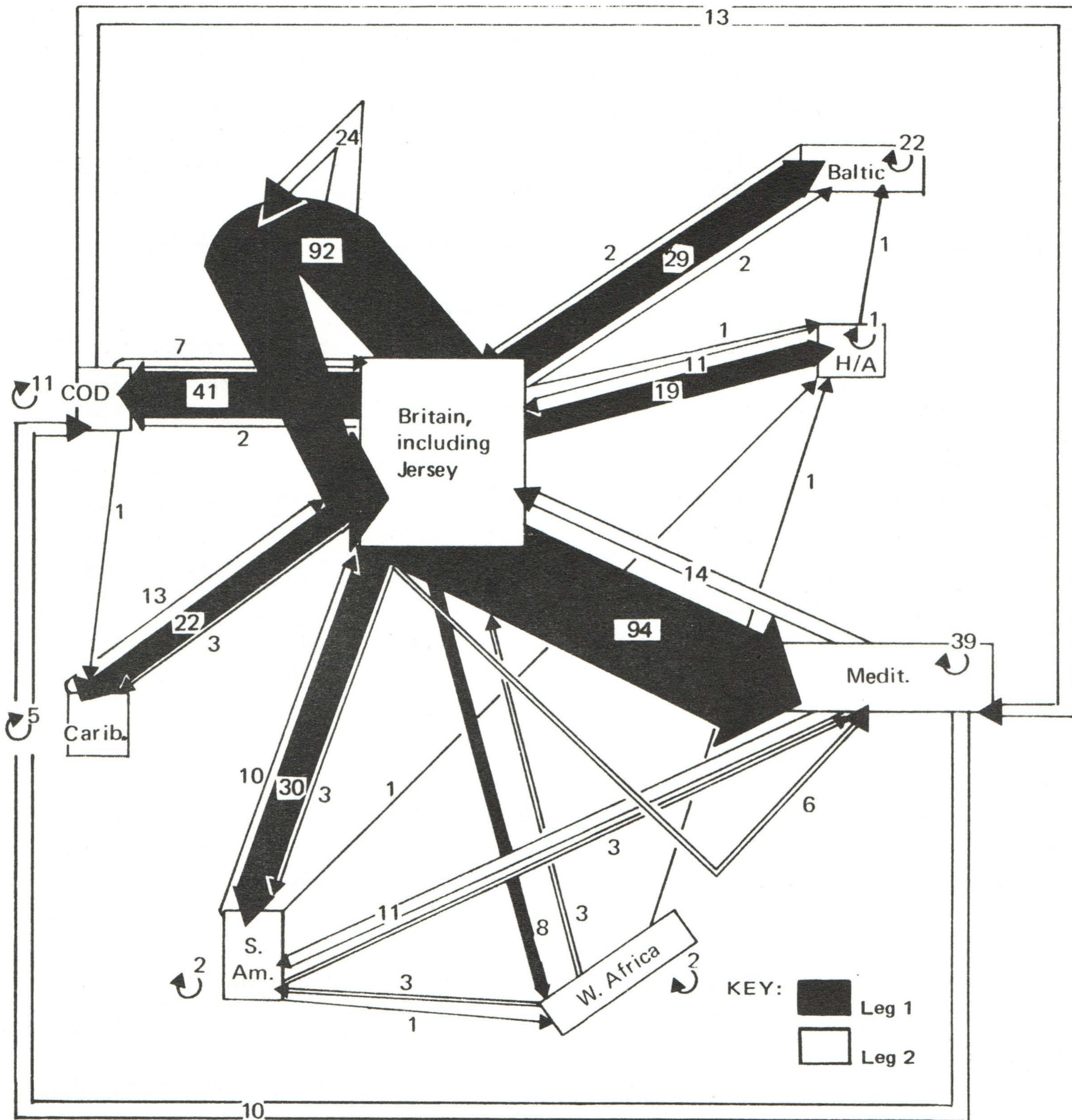


Source: "Nouvelles de Mer."



Figure 7

BRITAIN: 1840



Source: "Nouvelles de Mer."



TABLE 4  
A. TONS BURTHEN: 1830

	S.A.	MED.	BRIT.	CARIB.	COD	H/A	BALT.	TOTAL	RANK
S.A.	2,156	1,199	1,819	—	—	2,260	243	7,677	3
Med.	2,372	3,544	4,757	161	542	350	82	12,008	2
Brit.	2,052	6,119	2,355	2,053	3,948	972	990	18,489	1
Carib.	—	79	1,225	275	663	250	—	2,492	5
Cod	807	3,043	727	663	1,342	—	—	6,581	4
H/A	—	390	1,459	—	—	156	250	2,255	6
Balt.	—	177	1,288	—	—	—	743	2,208	7
Totals	7,587	14,551	13,630	3,151	6,495	3,988	2,308	51,710	
Rank	3	1	2	6	4	5	7		

B. AVERAGE TONS BURTHEN: 1830\*

	S.A.	MED.	BRIT.	CARIB.	COD	H/A	BALT.	no. trips	Rank	avg. tons	Rank
S.A.	166 <sup>(13)</sup>	200 <sup>(6)</sup>	165 <sup>(11)</sup>	—	—	162 <sup>(14)</sup>	243 <sup>(1)</sup>	45	4	171	3
Med.	151 <sup>(17)</sup>	118 <sup>(30)</sup>	119 <sup>(40)</sup>	161 <sup>(1)</sup>	108 <sup>(5)</sup>	175 <sup>(2)</sup>	82 <sup>(1)</sup>	96	2	125	6
Brit.	171 <sup>(12)</sup>	102 <sup>(62)</sup>	102 <sup>(23)</sup>	187 <sup>(11)</sup>	132 <sup>(30)</sup>	162 <sup>(6)</sup>	165 <sup>(6)</sup>	150	1	123	7
Carib.	—	79 <sup>(1)</sup>	245 <sup>(5)</sup>	138 <sup>(2)</sup>	95 <sup>(7)</sup>	250 <sup>(1)</sup>	—	16	5	156	4
Cod	202 <sup>(4)</sup>	145 <sup>(21)</sup>	104 <sup>(7)</sup>	96 <sup>(7)</sup>	168 <sup>(8)</sup>	—	—	47	3	140	5
H/A	—	195 <sup>(2)</sup>	162 <sup>(9)</sup>	—	—	156 <sup>(1)</sup>	250 <sup>(1)</sup>	13	6	173	2
Balt.	—	177 <sup>(1)</sup>	184 <sup>(7)</sup>	—	—	—	248 <sup>(3)</sup>	11	7	201	1
no. trips	46	123	102	21	50	24	12	378			
Rank	4	1	2	6	3	5	7				
avg. tons	165	118	134	150	130	166	192				
Rank	3	7	5	4	6	2	1				

\* Figures in parentheses indicate no. of trips. Cells showing only 1 ship are ignored.  
Source: "Nouvelles de Mer."

However, it also appears from the analysis of the "Nouvelles de Mer" that in neither the seasonality histograms nor in the tally matrices, can the cod trade be shown to be clearly a dominating factor in the Jersey trading network. Rather, it appears to be a medium-sized, medium-distance trade, using ships of medium-range tonnage. The basis on which one Jersey author, writing in 1837, could claim that the cod trade was "by far the most important and beneficial branch of the commerce of Jersey" is not apparent from the data presented above.<sup>10</sup> With this in mind, the Ships' Registers were examined in order to investigate the impact of vessel ownership on the trading structures uncovered in the "Nouvelles de Mer."



The first thing that became obvious from an examination of the Registers was that the cod trade vessels listed in the newspapers were an under-representation of shipping involved in the cod trade. More than twenty-five were found in the Registers up to 1830 which were known (from sources such as firms' letterbooks) to be cod ships, but which were not mentioned in the *Chronique*.<sup>11</sup> Despite these known lacunae in the data, Table 5 shows the pattern of Jersey trade and ownership for 1830 using only those ships also included in the "Nouvelles de Mer," since it was only for those ships that voyage information was available, and this information was needed in order to examine owners and trades jointly.

TABLE 5  
OWNERS AND TRADES: 1830

	1	2	3	4	5	6	7	8	TOTAL
No. of ships	44	33	30	16	14	10	6	8	161
% total shipping	27	20	19	10	9	6	4	5	100
No. of owners	20	25	30	13	11	8	6	6	119
Tonnage	5694	3142	1355	2183	1913	1515	1723	877	
ships/owner	1.5	1.3	1	1.2	1.2	1.25	1	—	
Most ships/owner	9	3	1	3	3	2	—	3	
tonnage/owner	285	126	45	168	174	189	172	146	

Key: 1 = Cod trade  
2 = Mediterranean to Britain to  
Mediterranean  
3 = Coasting  
4 = South America to Hamburg/Anvers  
5 = Caribbean  
6 = Baltic  
7 = South America to Britain  
8 = Others  
Ships were allotted to only one trade per voyage.

Source: "Nouvelles de Mer"; Jersey Ship Registers.

In 1830 the cod trade predominated in number of ships, tonnage, number of ships per owner and tonnage per owner. It also contained the firms which owned the greatest number of ships. The coasting trade predominated in number of owners, but the tonnage per ship in this trade was very low, and the trade consisted entirely of one-ship owners: a pattern of local small-scale enterprise, often run by mariners or small commercial entrepreneurs such as butchers and innkeepers.

There is, however, an overlap in ownership between the "international" trades. Table 6 gives an index of ownership diversification (or overlap) for the 1830 trades. In this matrix, zero (0) represents the highest possible degree of firm concentration (no overlap), i.e., all firms in trade X are only in trade X, and therefore trade X has a diversification index of zero. Conversely the highest index figures represent the greatest amount of firm diversification into other trades. Rows can (and do) sum to more than 1.00, since firms could diversify into more than one trade. Smallness of numbers involved means that little more can be said other than that the cod trade firms were most highly



diversified; that the Caribbean, Baltic, South American to Hamburg/Anvers, and Mediterranean trade firms were moderately diversified; and that the South American to Mediterranean to Britain and the Coasting trade firms were least diversified.

TABLE 6  
INDEX OF FIRM DIVERSIFICATION: 1830

	NO. OF FIRMS	1	2	3	4	5	6	7	8	TOTAL	RANK
1.	19	—	.37	.16	.26	.37	.16	.05	.26	1.63	1
2.	19	.37	—	.11	.16	.05	—	.05	.16	0.90	4
3.	19	.16	.11	—	.05	.11	.05	.05	—	0.53	6
4.	14	.36	.21	.07	—	.07	.14	—	.07	0.92	3
5.	11	.64	.09	.18	.09	—	—	—	—	1.00	2
6.	9	.33	—	.10	.20	—	—	—	—	0.63	5
7.	3	.33	.33	.33	—	—	—	—	—	1.00	2
8.	10	.50	.30	—	.10	—	—	—	—	0.90	4

KEY: 1 = Cod trade

2 = Mediterranean trade

3 = Coasting trade

4 = South America to Hamburg/  
Anvers or Baltic

5 = Caribbean trade

6 = South America to Mediterranean to  
Britain trade

7 = Britain to Mediterranean to Baltic  
trade

8 = other

Source: "Nouvelles de Mer"; Jersey Ship Registers.

Table 7 shows the ownership and trade patterns for 1840. The explosion of the coasting trade, seen in the seasonality histograms, is also evident here: the coastal trade had by far the largest tonnage and the highest number of ships. Tonnage per owner was also up from forty-five tons to seventy-eight tons. The Baltic trade had also increased considerably, as the seasonality histograms and the matrices have indicated. There were now fifty-six ships in the Baltic trade — the same number as in the cod trade — but many of these ships do not appear to have been Jersey-owned, or at least did not appear in the Ships' Registers, whereas almost all cod ships are known to have been Jersey-owned. It might therefore be argued that the fifty-six ships of the cod trade were more important to Jersey than the fifty-six ships in the Baltic trade, at least in terms of capital investment in shipping. Of the international trades, tonnage remained highest in the cod trade, and tonnage per owner was jointly highest along with the Caribbean trade (227 tons/owner in the cod trade, 229 tons/owner in the Caribbean trade). The latter, however, had only half the number of ships (twenty as opposed to fifty-six) and a smaller number of ships per owner (1.2 as opposed to 1.8). The cod trade remained dominant in terms of number of ships per owner and firms with the largest number of ships (eight in the cod trade, six in the coasting trade, of much smaller tonnage).



TABLE 7  
OWNERS AND TRADES: 1840\*

	1	2	3	4	5	6	7	8	9	TOTAL
No. of ships	56	42	131	20	22	56	31	6	16	380
Tonnage	7051	3938	8253	2756	3893	4202	4730	938	—	
% total shipping	14.7	11.1	34.5	5.3	5.8	14.7	8.1	1.6	4.2	100
No. of owners	31	36	106	17	17	52	29	6	13	307
Ships/owner	1.8	1.2	1.2	1.2	1.3	1.1	1.1	1	—	
Tonnage/owner	227	109	78	162	229	81	163	156	—	
Most ships/owner	8	4	6	4	5	—	3	—	—	

KEY: 1 = Cod trade

2 = Mediterranean to Britain to  
Mediterranean

3 = Coasting

4 = South America to Hamburg/  
Anvers or Baltic

5 = Caribbean

6 = Hamburg/Anvers and Baltic to Britain/  
Mediterranean

7 = South America to Mediterranean to  
Britain

8 = Black Sea

9 = other

\*The tonnage figure in column 6 is an estimate based on the average of ships whose tonnage was known. Source: "Nouvelles de Mer"; Jersey Ship Registers.

Table 8 shows the Firm Diversification Index for 1840. Again, the cod trade firms were more diversified than those of any other trade, and to an increasing degree compared to 1830 (1.63 up to 2.13). The Mediterranean, South America to Hamburg/Anvers and Black Sea (very small, however) trades were also relatively highly diversified; the Caribbean and South America to Britain, and Britain to Baltic trades were of moderate diversification; and the coastal and other trades were of low diversification.

Tables 9 and 10 show this firm diversification within the cod trade for 1830 and 1840. In 1830 the most diversified firm was P. and F. Janvrin, which had its major cod establishment at Arichat, Cape Breton. The firm was also involved in the South America to Hamburg trade, the Caribbean trade, and the South America to Britain trade, the last one in partnership with LeBas. It also had one ship trading to French ports such as Nantes and Rouen. Equally as diversified as Janvrin's was the firm of Nicolle et Cie, based mainly in Newfoundland, and trading into South America, to Hamburg/Anvers, into the British-Baltic trade, the Caribbean, the Black Sea and the U.S.A. Then came the firm of DeQuetteville Freres, based at Forteau (Labrador), and also involved in the Mediterranean trade, the coasting trade and the South America to Britain trade. In terms of areas most used by cod trade firms, the traditional trade areas of the Mediterranean and the Caribbean were most popular, with ten ships and nine ships respectively.

The results of this diversification were reflected in advertisements placed in the *Chronique de Jersey* for 1830 where, for example, we find DeQuetteville selling Lisbon salt (for the cod trade), figs and wine in March,<sup>12</sup> selling Rio coffee in August, white sugar and Sicilian wine,<sup>13</sup> and in September selling produce from the cod fisheries.<sup>14</sup>



TABLE 8  
INDEX OF FIRM DIVERSIFICATION: 1840

	NO.OF FIRMS	1	2	3	4	5	6	7	8	9	TOTAL	RANK
1.	26	—	.31	.62	.35	.27	.27	.12	.04	.15	2.13	1
2.	30	.27	—	.17	.07	.07	.27	.13	.07	.03	1.08	2
3.	51	.31	.10	—	—	.02	.08	.06	.10	.04	0.71	9
4.	14	.64	.14	—	—	.21	.07	—	—	—	1.06	3
5.	17	.41	.12	.06	.18	—	—	—	.06	.06	0.89	5
6.	24	.29	.33	.17	.04	—	—	—	—	.04	0.87	6
7.	12	.25	.33	.25	—	—	—	—	—	—	0.83	7
8.	5	.20	.40	.20	—	.20	—	—	—	—	1.00	4
9.	12	.33	.08	.16	—	.08	.08	—	—	—	0.73	8

KEY: 1 = Cod trade  
2 = Mediterranean  
3 = Coasting  
4 = South America to Hamburg/Anvers or Baltic  
5 = Caribbean  
6 = South America to Mediterranean/Britain  
7 = Britain/Mediterranean to Baltic  
8 = Black Sea  
9 = other

Source: "Nouvelles de Mer"; Jersey Ship Registers.

TABLE 9  
COD FIRM DIVERSIFICATION INTO OTHER TRADES: 1830

	COD	MED.	COAST	SA/HA	CARIB.	BALT.	SA/BRIT.	OTHER
C.R.C.	9	—	—	1	—	—	—	—
Nicolle	8	—	—	1	1	2	—	2
DeCarteret & LeVesconte	3	—	—	—	2	—	—	—
DuVal	3	—	—	—	—	—	—	—
Janvrin	3	—	—	2	1	—	1	1
P.R.C.	2	—	—	—	—	—	—	—
DeQuetteville	2	3	1	—	—	—	1	—
Renouf	2	—	—	—	—	—	1	—
Bisson	1	2	—	—	2	—	—	1
Deslandes	1	—	—	—	1	—	—	1
J. & P. LeBas	1	—	—	1	1	—	—	—
Ennis	1	2	—	—	—	—	—	—
Ranwell	1	—	1	—	—	—	—	—
Pellier	1	—	—	—	1	—	—	—
Roissier, Hamon & LeGros	1	1	—	—	—	—	—	—
Fruing	1	—	—	—	—	—	—	—
De Gruchy	1	—	—	—	—	—	—	—
Perchard	1	1	—	1	—	—	—	—
Bertram	1	1	—	—	—	—	—	—
Totals	43	10	2	6	9	2	3	5

Source: "Nouvelles de Mer"; Jersey Ship Registers.



TABLE 10  
DIVERSIFICATION OF COD TRADE FIRMS: 1840

	COD	MED.	COAST	SA/HA	CARIB.	MED/ BRIT/SA	BR/BALT MED.	BLACK SEA	OTHER
Nicolle	8	—	1	1	1	—	—	—	—
C.R.C.	7	2	—	—	—	—	—	—	—
DeQuetteville	6	4	2	—	—	—	1	—	1
Janvrin	3	—	1	—	1	1	—	—	—
P.R.C.	2	—	—	—	—	—	—	—	—
Fruing	2	—	2	—	—	—	—	—	—
Perrée	2	—	1	—	—	—	—	—	—
Brée	2	2	5	—	—	—	1	—	—
DeCarteret & LeVesconte	2	—	2	1	—	—	—	—	—
LeFevre	2	—	1	—	—	1	—	—	—
Martell/Vibert	1	—	1	1	—	—	—	—	—
LeBoutillier	1	—	—	—	—	—	—	—	—
Amiraux, Marrett, LeBas	1	—	1	—	1	—	—	—	—
Woolcocke	1	—	—	—	—	—	—	—	—
Gossett	1	—	—	3	2	—	—	—	—
Fauvel/Godeaux	1	1	—	—	—	—	—	—	1
Messervy	1	1	—	1	—	1	—	—	—
Carrell	1	1	2	—	—	—	—	—	2
Renouf	1	—	—	—	—	—	2	—	1
Bayfield & Copp	1	—	1	—	—	—	—	—	—
E. LeBas	1	—	—	1	—	—	—	—	—
LeQuesne	1	—	2	1	—	1	—	—	—
Deslandes	1	1	2	1	—	1	1	1	—
Perchard	1	1	2	—	1	1	—	—	—
Roissier, Hamon LeGros	1	—	1	1	—	—	—	—	—
Godfray	1	—	—	—	—	—	—	—	—
Totals	52	13	27	11	6	6	4	1	5

Source: "Nouvelles de Mer"; Jersey Ship Registers.

Likewise, in August we find LeVesconte selling Demerara rum<sup>15</sup> and in January we find Nicolle et Cie selling Russian hemp for cordage.<sup>16</sup> The Gaspé firms, however, especially C.R.C., were less inclined to diversify, and the question may be asked whether an expanding Gulf cod trade meant less need to diversify than might be felt in Arichat and Newfoundland, where the older, more established firms were both more capable of diversification and perhaps more pressured into so doing.

In 1840 diversification in the cod trade had increased. DeQuetteville was marginally more diversified, still in the 1830 trades and having added a ship trading into Archangel. Janvrin and Nicolle maintained a similar pattern to that of 1830, but DeCarteret and LeVesconte were no longer in the Caribbean. Here perhaps is a further indication of the collapse of the Cod-Caribbean connection discussed in the matrices.



Some of the apparent new growth in the cod trade was the result of former agents of the traditional large firms having set up in business on their own. Fruing and Fauvel are cases in point: they were offshoots of C.R.C.<sup>17</sup> This pattern was a continuing phenomenon in the cod trade – J. & E. Collas, for example, started out as agents for Perrée, thereafter took over that firm in the 1850s, and finally took over C.R.C. when the Robin family went bankrupt in 1886.

Also worthy of notice is the firm of George Deslandes and Son: very small in 1830, growing and diversifying in 1840, and already the most diversified of all firms involved in the cod trade. This firm was destined to become the largest of the Jersey shipbuilding firms of the 1840-60 “boom” era of Jersey shipbuilding.

To summarize, we can say that the cod trade was extremely important in the Jersey trading pattern in the light of the ownership patterns indicated above. Owners in the cod trade commanded more, and heavier, ships than those in any other trade, and they diversified out of their traditional trade into wider areas, attempting (if we consider the matrices) to link these separate trading networks into one complex structure. For example, in a report on the Gaspé district which was undertaken in 1833, it is stated that Messrs. Robin and Co.

Have extensive commercial establishments in Brazil, Foreign Europe and other ports. They export their fish in their own vessels and bring return cargoes to Hamburgh and other ports in Foreign Europe.<sup>18</sup>

Even small firms such as Pellier sought to expand trade. A letter to the London Custom House from Pellier asking for directives on the law concerning his proposed trade of “goods on speculation” to the Cape of Good Hope and Mauritius, added that “a direct intercourse between these Places... (is) a new feature in the Trade of this Island.”<sup>19</sup>

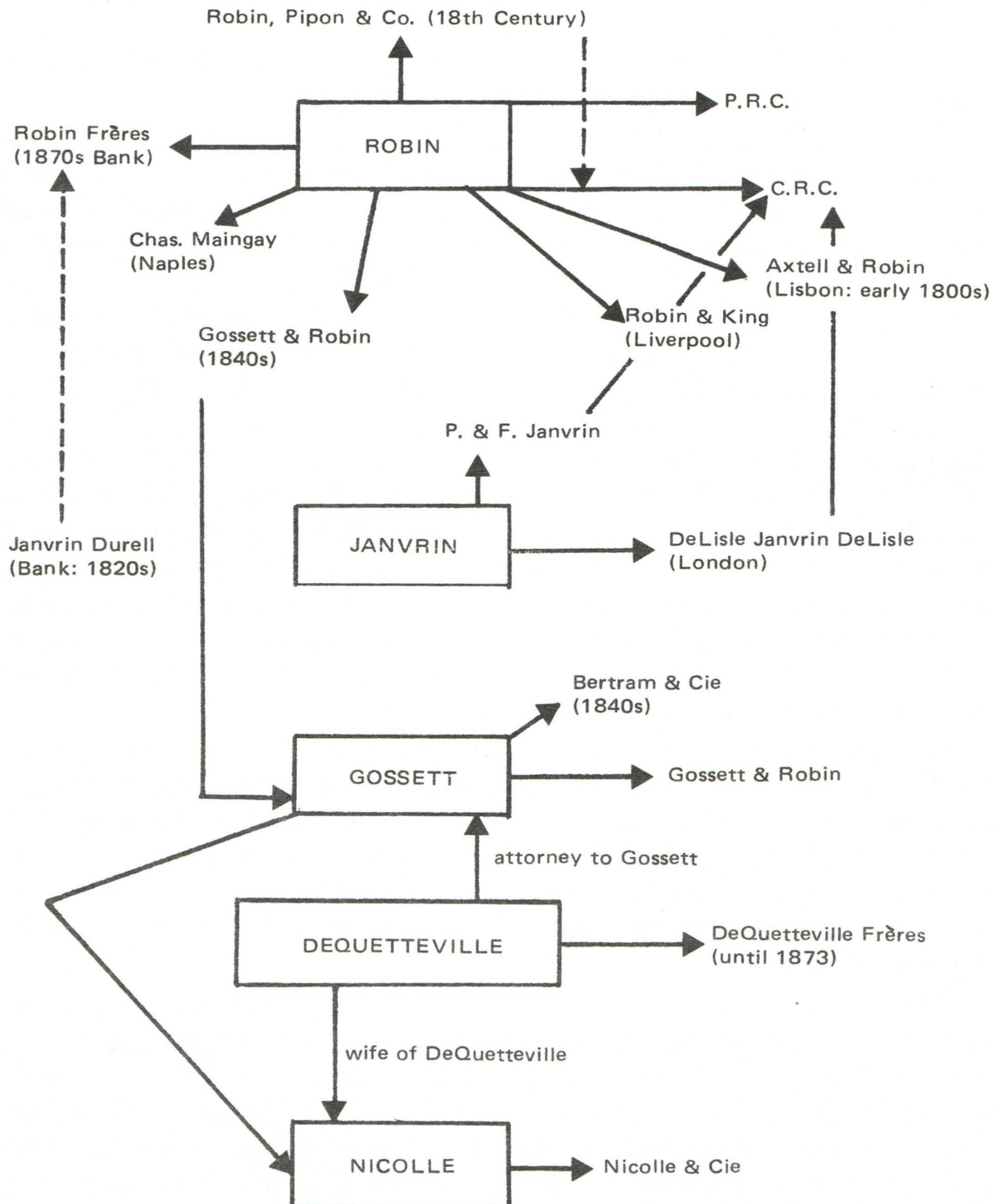
Diversification into other trades, however, was not the only attribute of the cod trade firms. They were also “prone to organizing their fishery by means of societies, with multiple and cross-fertilized partnership.”<sup>20</sup> In fact, the major firms in the cod trade exhibited a pattern of interlocking directorships which bespoke a high degree of inter-firm connectivity. Figure 8 shows this pattern for the family firms of Robin, Janvrin, DeQuetteville, Nicolle and Gossett during the nineteenth century. The pattern would be even more complex if eighteenth century links were also examined.<sup>21</sup>

P.R.C. was the “family firm” of the Robin Company, almost entirely Robin-owned. C.R.C. was the larger firm, and had directors in London and Liverpool as well as in Jersey and Gaspé. London directors were the firm of DeLisle Janvrin DeLisle, the Liverpool director was John Robin of Robin and King; Frederick Janvrin was also a director, as was Thomas Pison of Surrey. John Robin for a while was a co-partner of the Lisbon marketing agents of the firm Axtell and Robin;<sup>22</sup> C.W. Robin in the 1840s was in partnership in the South America trade with Isaac Hilgrove Gossett;<sup>23</sup> and Raulin Robin co-partnered and later took over the Naples marketing agents, Charles Maingay & Sons.<sup>24</sup> C.W. Robin’s sons took over the old Janvrin-Durell bank as Robin Frères, and this bank survived the 1886 bank crash.



Figure 8

# INTERLOCKING DIRECTORSHIPS



Source: see footnotes 22, 23, 24 and 25.



The firm of P. & F. Janvrin was linked to C.R.C. through the London agents, and through the shared directorship of Frederick Janvrin. Likewise, prior to Robin Freres, there were Robin links through C.W. Robin into Janvrin, Durell & Cie. The Gossett links were less complex: C.W. Robin and Isaac Gossett operated jointly in a small shipping venture. Gossett also operated with Bertram (previously Bertram and Bullough); Gossett was also a co-partner of the firm of Nicolle et Cie. The wife (later widow) of C.J. DeQuetteville was a co-partner in the firm of Nicolle, and the same C.J. DeQuetteville was attorney-at-law to Isaac Gossett.

A substantial part of this network can be explained by family and marriage ties, sometimes prior to business partnership, sometimes after partnerships had already come into existence. Figures 9 and 10 look at the same firms, this time showing the links in terms of familial or marriage ties. P.R.C. was made up in 1840 of James Robin, Clement Hemery (James Robin's father-in-law, and also father-in-law of Philip Janvrin), Philip Robin, Elizabeth Robin and John Robin. C.R.C. was made up in 1840 of James Robin, Francis Janvrin (and later his heir, Frederick Janvrin), Philip Robin, Elizabeth Robin, John Robin (of Liverpool), Frederick DeLisle (of London), Thomas Pipon (of Surrey) and Philip Raoul Lemprière of Jersey. The last two were part of the firm of Robin, Pipon & Co., for which firm Charles Robin had been acting as agent when he first went into the Gaspé.<sup>25</sup> The Janvrin and DeLisle marriage connections were made in the second generation of the firm of C.R.C. John Robin married Mary King of Liverpool, and he was the Liverpool agent (Robin & King) for C.R.C. James Robin's sons were Raulin Robin and C.W. Robin. Raulin married the daughter of the Naples agents for the firm (Maingay); C.W. Robin married Elizabeth Janvrin, and went into business with Isaac Gossett, who married his aunt Madeleine (James Robin's sister). Robin Frères was the firm founded by C.W.'s sons, who were Janvrins on their mother's side.

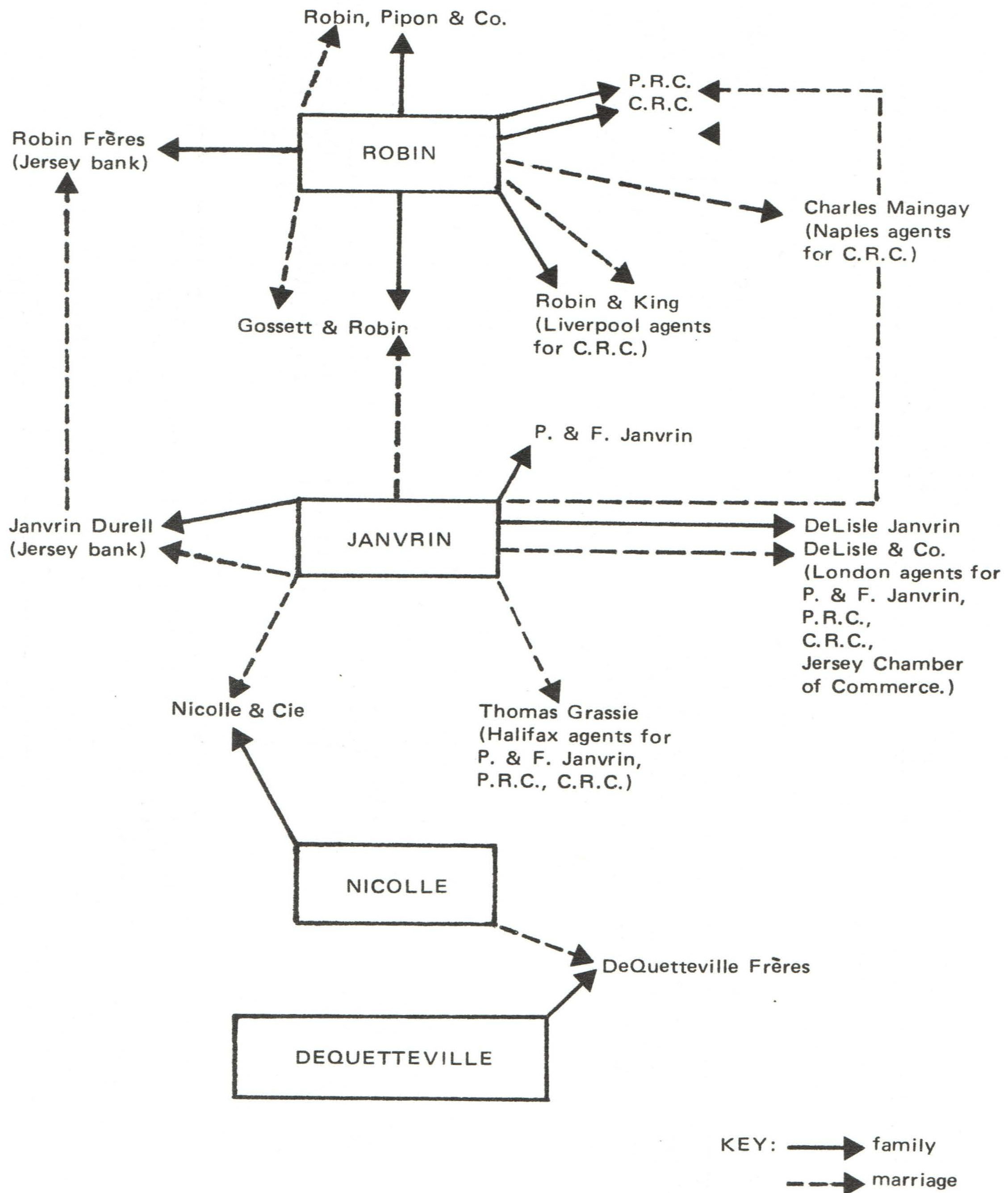
By 1840 the firm of P. & F. Janvrin comprised Francis Janvrin Junior, and Frederick, his son. Francis' sister Elizabeth married Frederick DeLisle (London agents for Janvrin and Robin), and their daughter married Thomas Grassie, Halifax agent for C.R.C. and P.R.C. Elizabeth Janvrin, daughter of John Lewis Janvrin and Julia Durell, married C.W. Robin, and her sons, Charles Janvrin, Philip and Snowden, took over the banking firm of Janvrin, Durell et Cie, at which time the firm became Robin Frères, the Commercial Bank of Jersey.

Figures 8 to 10 show that this network of cod trade firms gained supply and market area control, as well as financial control, both through interlocking directorships and marriage ties. In this way, they established vertical integration of the trade, with their extension of control beyond Jersey and Gaspé firms into the Jersey banking system, into the Halifax market and supply firm, and into their Mediterranean market firm. They also established horizontal integration of their firms in the same way, through such people as Frederick Janvrin and Isaac Gossett – the latter being the link through which integration was extended into the firm of Nicolle et Cie, and from that firm into DeQuetteville Frères.



Figure 9

LINKED DIRECTORSHIPS: KINSHIP AND MARRIAGE TIES, CIRCA 1850

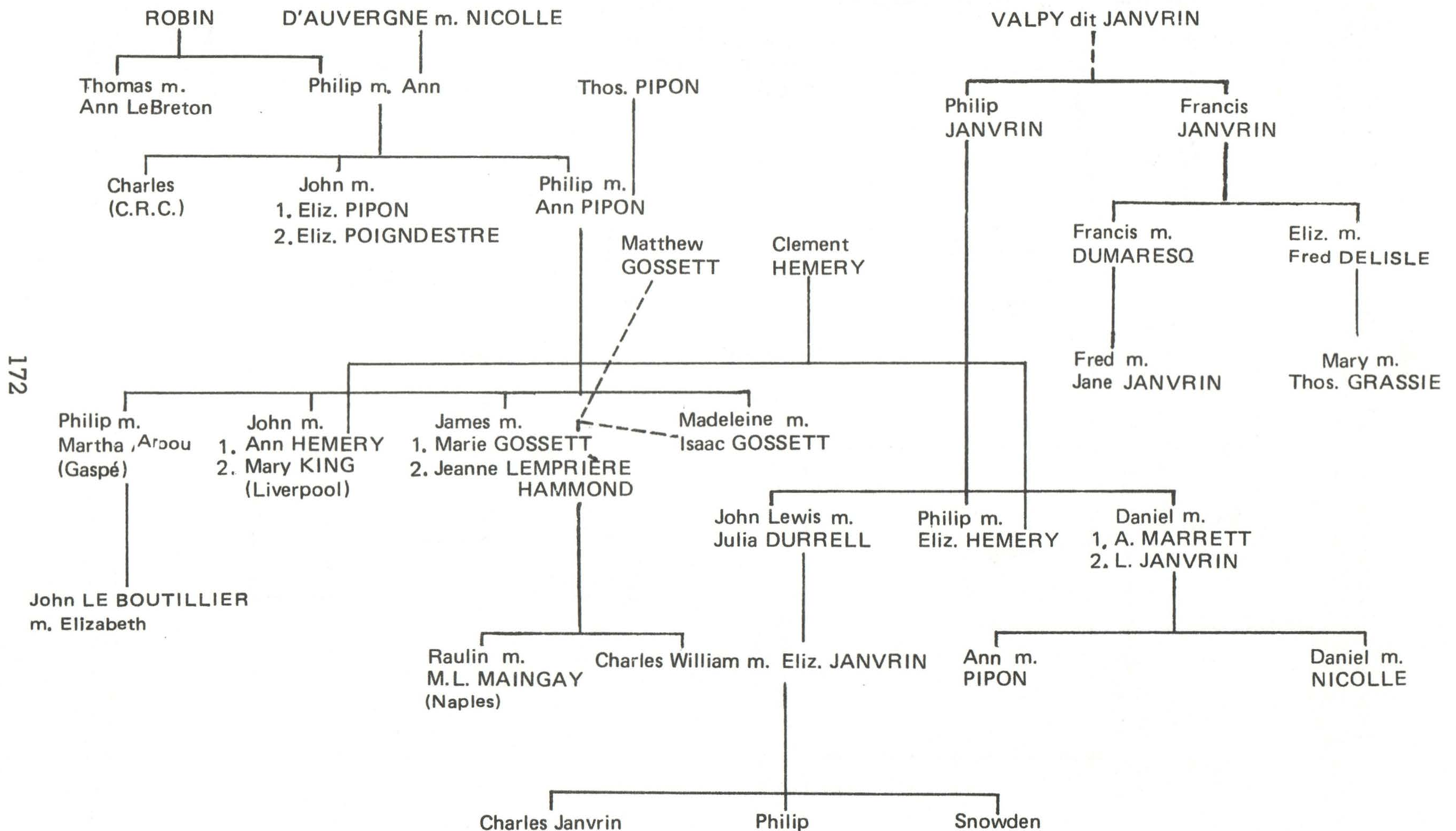


Source: Robin and Janvrin genealogies, Ships' Registers, Letterbooks, Family papers.



Figure 10

ROBIN AND JANVRIN GENEALOGY





The contribution of the cod trade to Jersey was also considerable in other, more indirect, ways. Figure 11 shows information given in the Ships' Registers on places where Jersey vessels which were listed in the "Nouvelles de Mer" were built. Regular shipbuilding by Jerseymen themselves seemed to occur primarily in the New World in the early years of the nineteenth century, and only later to return home to Jersey. This is illustrated by the analysis of where ships found in the 1830 "Nouvelles de Mer" were built: 38% (61 ships) were Jersey built; 19% (31 ships) were British built; 6% (10 ships) were prizes; 29% (46 ships) were New World built. Of the New World built ships: 21% were built in Paspebiac; 25% were built at Jersey establishments elsewhere in the Baie des Chaleurs and Gaspé; 21% were built at Jersey establishments in Cape Breton; and only 17% were built elsewhere in Nova Scotia, along with 8% which were built in P.E.I.

Clearly, the contribution of the cod trade to the Jersey fleet was considerable at the beginning of the nineteenth century. The Robin Letterbooks at this time contain many comments on local Paspebiac shipbuilding:

Mr. Day's gang is now preparing the timbers for the frame of the sharp vessel....As soon as that's done we mean to put up one like the others, having all the timbers ready prepared.<sup>26</sup>

Spread effects from the cod trade, as a result of backward linkage into shipbuilding in the staple-producing (Canadian) area (See Figure 12) were clearly underway in the early years:

Mr. Day has now nearly 200 pces of timber cut wh he is siding and squaring, the latter being performed on the Logs, keelpieces and such. The main road is all made and after tomorrow John Robin begins to superintend a gang wh will be making the cross roads fr each piece to the main road. Afterwards as soon as there is six to nine inches of snow, our drawing will take place. Some of our timber is four miles from us...<sup>27</sup>

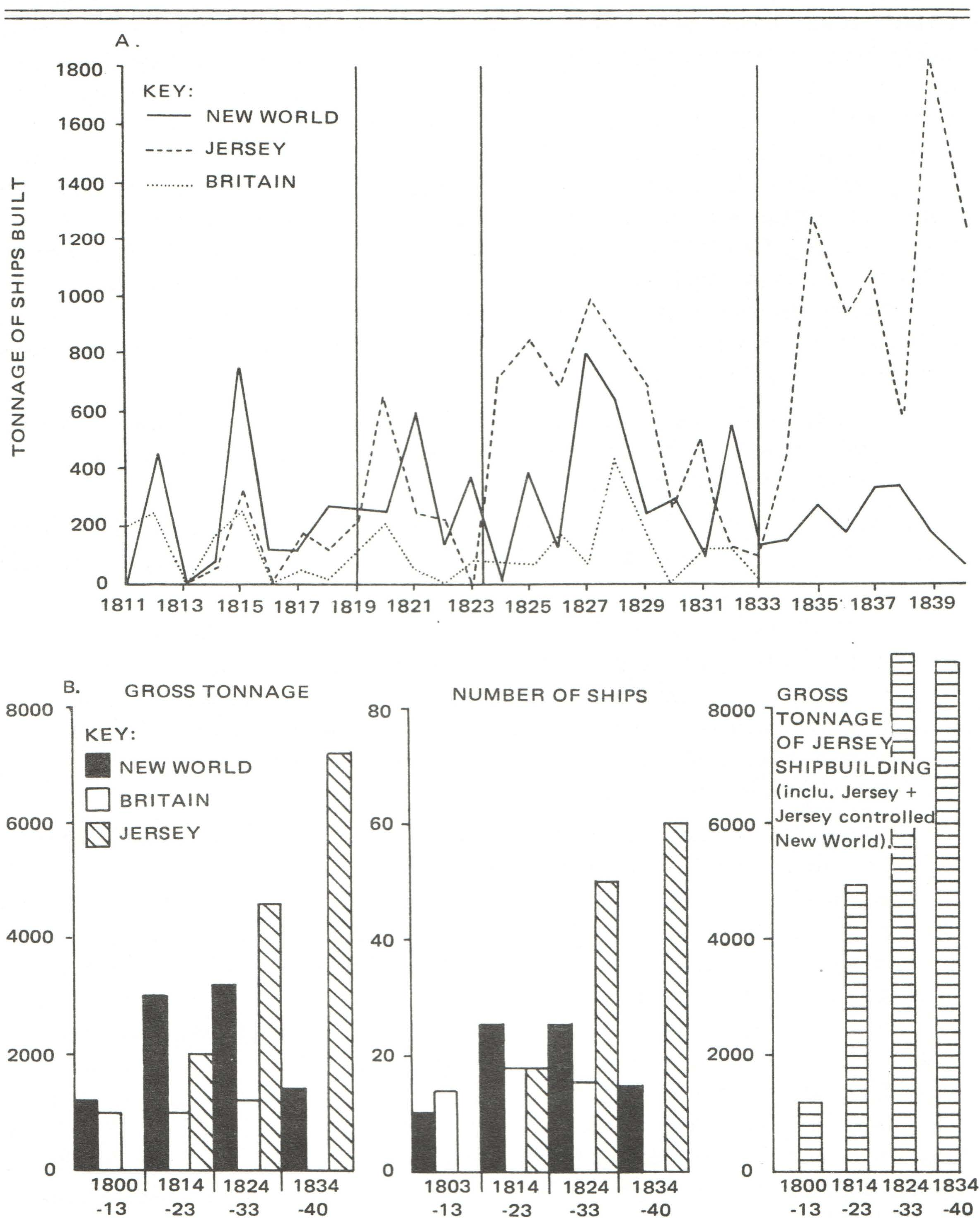
However, by 1819 another trend was emerging which became obvious by 1823 and was to predominate by 1834 – shipbuilding in Jersey itself.

Shipbuilding in Canada did not cease after 1819 – far from it – but its contribution to the total Jersey fleet decreased, and New World shipbuilding by consequence became a supply industry only to the cod trade. This, of course, meant that its prospects for further growth and greater spread effects were severely restricted, since the cod trade could be expected to have only a limited demand for new shipping. In Jersey, on the other hand, there was a considerable multiplier effect as the major shipbuilding impetus swung across the Atlantic to the Mother-country. Table 11 shows this proliferation of related trades in Jersey for the years 1843-1890.<sup>28</sup> The Ships' Registers from 1830 onwards abound with sales of ships to shipbuilders in Jersey, and also show an increasing number of sailmakers and other tradesmen who were involved in the shipbuilding industry becoming co-partners in newly-forming shipbuilding firms. The pattern is identical to an earlier one in which merchant and mariner were found in co-ownership of trading vessels.<sup>29</sup>



Figure 11

TONNAGE OF SHIPBUILDING BY PLACE OF CONSTRUCTION



Source: Ships' Registers.



Figure 12

PASPEBIAC IN THE EARLY NINETEENTH CENTURY

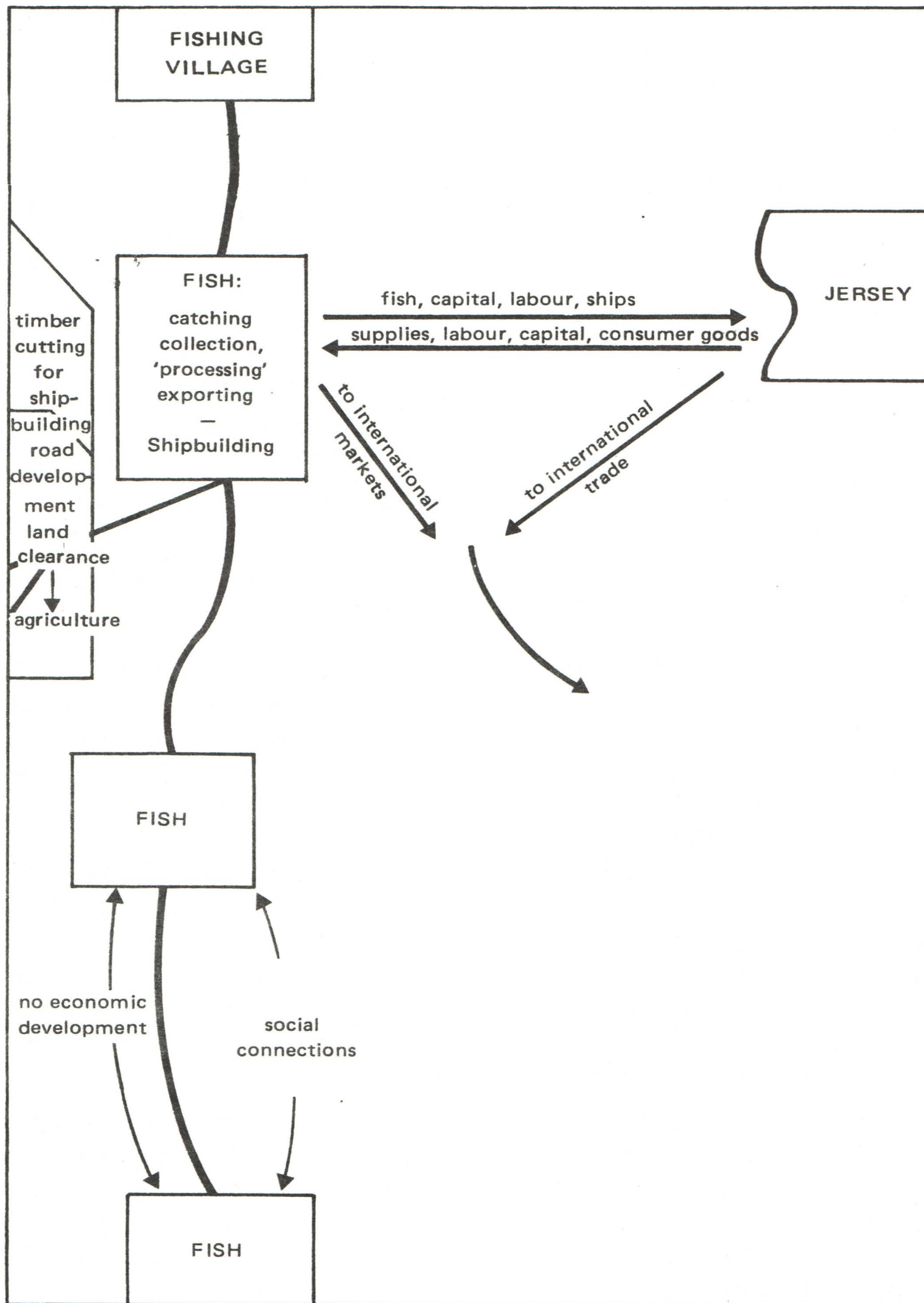




TABLE 11  
TRADE RELATING TO SHIPBUILDING: ST. HELIER, 1843-1890

YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13
1843	—	—	7	—	5	—	—	—	7	7	7	—	52
45	—	3	7	—	—	6	—	—	5	7	10	9	63
50	—	—	—	—	—	—	—	—	—	—	—	—	—
55	11	—	—	2	—	6	—	—	5	—	12	7	47
60	11	9	5	—	—	as agents	4	5	5	7	—	—	39
65	11	2	5	10	7	—	5	5	5	6	11	8	—
70	10	—	4	6	12	7	6	4	5	4	11	8	31
75	7	5	3	5	9	6	6	2	3	5	11	8	30
80	7	5	3	6	10	5	3	3	2	5	9	7	26
85	9	5	4	6	7	—	4	2	3	5	7	7	35
90	9	4	—	6	8	8	3	2	3	—	5	5	29

KEY: 1 = Shipping Agents  
2 = Navigation Teachers  
3 = Block Makers  
4 = Boat Builders  
5 = Anchorsmiths and Ironfounders  
6 = Ships' Brokers  
7 = Coopers  
8 = Mast and Oar Makers  
9 = Sailmakers  
10 = Rope and Twine Makers  
11 = Shipbuilders  
12 = Timber Merchants  
13 = Merchants

Source: L.J. Proudfoot, "The Historical Geography of Jersey" (Honours Dissertation, Geography Department, Queen's University of Belfast, 1972), using data from the *British Press* and *Jersey Times Almanacks*, 1843-1900.

A study of partnership formation and sale-of-ship patterns among the Jersey shipbuilding firms in this period would doubtless throw considerable light on early capital accumulation in the Jersey shipbuilding industry. It is also highly likely that the increase in shipping in the Baltic trade, and the tying-in of the Caribbean trade more closely to Jersey (both seen in the 1840 tally matrices) are a reflection of the increasing demand for timber in the Jersey shipbuilding industry.<sup>30</sup>

The position of the cod trade in the Jersey carrying trade of 1830 and 1840 can now be defined much more clearly. Whereas the trip tally matrices showed only a medium-sized voyage pattern, either in terms of number of trips, connectedness, or tonnage per trip, within a wider network of trading voyages, it is now clear that the cod trade was a very important part of the 1830-1840 trading system, in terms of ownership structures, and an important early contributor to Jersey shipbuilding. It now becomes possible to understand the claim made by Barbet in 1837:

By far the most important and beneficial branch of the commerce of Jersey, are the fisheries on the coasts of British North America. That branch is not only valuable from the direct industry which it promotes, the capital which it employs, and the number of persons who are engaged at the fishery, but it is the root of other indirect industry...Without her cod fishery the commerce of Jersey would dwindle away.<sup>31</sup>



In Canada, however, Fortin would be left to comment of the Gaspé fisheries, that:

...ils ont été fondés, la plupart, par les armateurs, sujets britanniques il est vrai. mail étrangers au Canada, et encore á l'heure qu'il est, les principaux propriétaires de ces grands établissements habitent les Iles de la Manche, et c'est là que vont s'accumuler les grands bénéfices réalisés dans le commerce des pêcheries canadiennes.<sup>32</sup>

In conclusion, I cannot resist one brief glimpse into the later years of the nineteenth century. In Jersey, shipbuilding peaked in the 1860s, but the age of steam was already underway, and Jersey lacked the technology, and a long-enough established industrial capital base from which to re-direct her wooden-ship industry into that of an industrial age. It can be argued that it is not until 1830-1840 that we can see the beginnings of a shift in Jersey from merchant capital to other categories of capital investment. At that time, industrial capital started to be invested in the shipbuilding industry, commercial capital to be invested in the stores founded by families who first acquired their fortunes in the cod and related trades,<sup>33</sup> and finance capital to be invested in the banks founded by old cod merchant families. Janvrin, Durell et Cie (later Robin Freres: the Commercial Bank of Jersey), for example, evolved directly out of cod trade profits in the Robin and Janvrin firms. Nicolle, de Ste. Croix, Bertram et Cie formed another bank, the Jersey Banking Company, which grew primarily out of the investment of cod trade profits.<sup>34</sup> Jersey was beginning to benefit from the profits of her staple-producing enterprises in the New World. As the Hon. R.B. Sullivan commented:

The profits of the great branches of Canadian trade...have become fixed capital in the Mother country. The merchants who have accumulated fortunes here...have generally returned home to enjoy the fruits of their labours.<sup>35</sup>

But it appears to have been, if not too little, almost certainly too late. The age of steam in Europe, and competition and declining markets in the cod trade, were shortly to combine to destroy both Jersey shipbuilding at home and the Jersey codfish enterprises in Canada. As early as 1850, Frederick Janvrin was selling his Gaspé business at Grand Grève, and it has been suggested that this was nothing more than an acknowledgement of the future inability of Jersey to compete in the era of steam navigation.<sup>36</sup> With the collapse of the old cod fish trade,<sup>37</sup> commercial capital proved to be the survivor. As the Island shipbuilding industry declined, her tourist trade grew, and commercial enterprises flourished. What remains today of the "golden age" of the Jersey merchant emporium is a series of department stores — in Jersey and Gaspé alike.

## NOTES

1. C. Grant Head, *Eighteenth Century Newfoundland: A Geographer's Perspective* (Toronto, 1976), 249.

2. "Jersey shipping" is defined as ships in which Jersey is presumed to have had an interest (either that of ownership of the vessel concerned, or of her cargo) since the trips of those ships are published in Jersey newspapers. In 1830, the "Nouvelles de Mer" contained 92% of all Jersey-registered shipping.



In 1840, this number had declined, due to an enlarged coastal trade with Britain (British-owned in part), and an enlarged Baltic trade, partly Baltic-owned.

3. For example, the Mediterranean commodity group clearly served a number of trades: the cod trade and the wine trade being two of these. The cod trade was essentially a market-oriented trade here, the wine trade a supply trade to Jersey.

4. Only the principal trades are shown here. Trades involving only one or two ships have not been shown: for example, a very small trade onto the West African coast, the trade to Mauritius and the trade to Australia.

5. Principal trades only. For a more detailed discussion of these matrices, see R.E. Ommer, "From Outpost to Outport: the Jersey Merchant Triangle in the 19th Century" (forthcoming PhD dissertation, McGill University).

6. Including Jersey.

7. Lowell Ragatz, *The Fall of the Planter Class in the British Caribbean, 1763-1863* (New York, 1963).

8. By using a matrix of time taken to travel from each origin (i) to each destination (j), one could use a least squares estimation procedure to account for the effect of distance in the form of a generalised trip distribution model, such as

$$t_{ij} = G U_i V_j f(c_{ij}) + e_{ij}$$

where  $t_{ij}$  is the interaction between i and j

G is a constant of proportionality

$V_j$  is a destination-specific term

$U_i$  is an origin-specific term

f is an arbitrary function with one or more unknown parameters (in this case  $c_{ij}$  can be defined as a measure of spatial separation between each i and each j in terms of trip duration)

$e_{ij}$  is an error term to be minimised by the least squares model.

This method, which has been used by Cesario in regional transportation problems, minimises the sum of squares of the error terms, thereby calibrating the parameter(s) governing the best estimation of  $t_{ij}$  in the model. Any origin to destination interaction may then in future be "controlled" by introducing a parameter value for each i to j trip representing the effect of spatial separation between origins and destinations. See F.J. Cesario, "Least Squares Estimation of Trip Distribution Parameters," *Transportation Research*, IX (1975), 13-18.

9. Advertisements in the *Chronique de Jersey* for these years provide information on the commodities involved in these different trades. See also R.E. Ommer, "From Outpost to Outport."

10. S. Barbet, in "The Guernsey and Jersey Magazine," V (1837), 306.

11. However, many of these were of small size (30 tons and less) and appear to have been shallops confined to coasting within the confines of the Cod area. Of the 25 counted, 19 were built in Newfoundland, only 2 in the Channel Islands, and 4 were prizes. Further analysis of the Registers is still underway, but it would appear that under-representation of shipping in the "Nouvelles de Mer" is more serious in the cod trade than in other trades.

12. *Chronique de Jersey*, March 13, 1830.

13. *Ibid.*, August 21, 1830.

14. *Ibid.*, September 11, 1830.

15. *Ibid.*, August 14, 1830.

16. *Ibid.*, January 16, 1830.

17. Report of J.D. McConnell to F.W. Baddely, quoted in the *Quebec Mercury*, November 18, 1833, 15.

18. *Ibid.*, 16.



19. Copy Letters to the Honorable Board: Custom House (London), #68, 156. The letter is dated Jersey, July 2, 1841. It is signed Ph. Pellier (Owner), and enumerates as goods to be traded "Bricks, Coals, Salt, Cordage, Soap, Vinegar, Flour, Biscuit, Iron, Coal Tar, Ironware, Beer, Piece Goods, Musl. Instruments, Stationary, *British Produce or Manufacture* – Wine, Geneva, Deals, Spars, Pitch, Tar etc. etc. *Foreign...*"
20. Keith Matthews, "Pipon Family" (Ms. in the Library of the Société Jersiaise, St. Helier).
21. *Ibid.*
22. Letterbooks of Charles Robin (in the possession of Arthur LeGros, Paspébiac).
23. "Nouvelles de Mer" and the Ships' Registers, taken in conjunction.
24. Robin Letterbooks (extracts in the possession of A. LeGros).
25. Robin Diary (original in the Société Jersiaise, St. Helier).
26. Letter to Philip Robin, June 22, 1801, Robin Letterbooks, Public Archives of Canada.
27. Letter to Fiott de Gruchy, December 19, 1795, Robin Letterbooks, Public Archives of Canada.
28. L.J. Proudfoot, "The Historical Geography of Jersey" (Honours Dissertation, Department of Geography, Queen's University of Belfast, 1972).
29. Name Files, Maritime History Group, Memorial University of Newfoundland. Files on Jersey surnames, providing detailed information on Jerseymen associated with the cod trade in British North America.
30. See, for example, the increase in advertisements for ship timber in the *Chronique* after 1830.
31. S. Barbet, "The Guernsey and Jersey Magazine," V (1837).
32. P. Fortin, 23 Victoria, *Documents de la Session* (1860), XII, A160, Appendix 33, 137.
33. For example, de Gruchy's, one of the major department stores in St. Helier.
34. This was the bank which failed in 1886, bringing down with it the firms of LeBoutillier Freres and C.R.C.
35. Cited in H.C. Pentland, "The Role of Capital in Canadian Economic Development before 1875," *Canadian Journal of Economics and Political Science*, XVI, no.4 (Nov. 1950), 459.
36. Paper by Marguerite Syvret of the Société Jersiaise, as yet unfinished. It is a detailed study of the family of Valpy dit Janvrin.
37. The Bank Crash of 1886 is the end of the trade in Jersey, although residual operations continued until about 1930 in Gaspé, and as late as 1947 on the South Coast of Newfoundland.



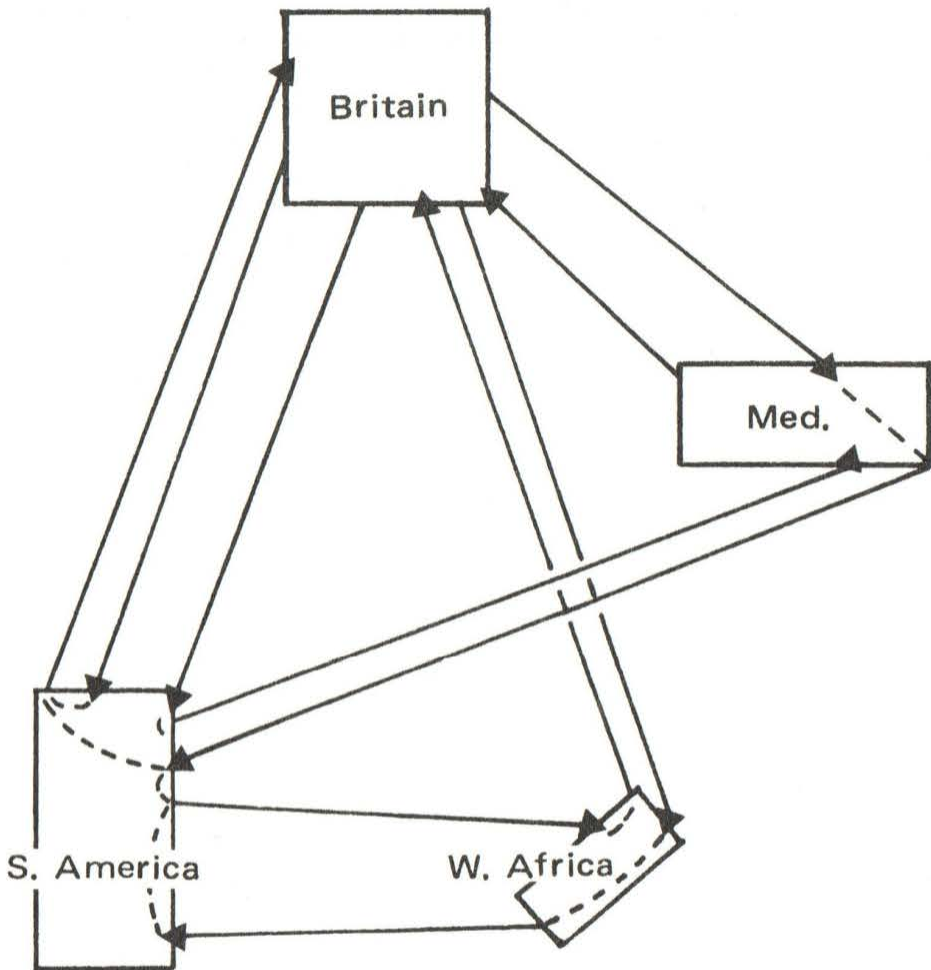




APPENDIX I

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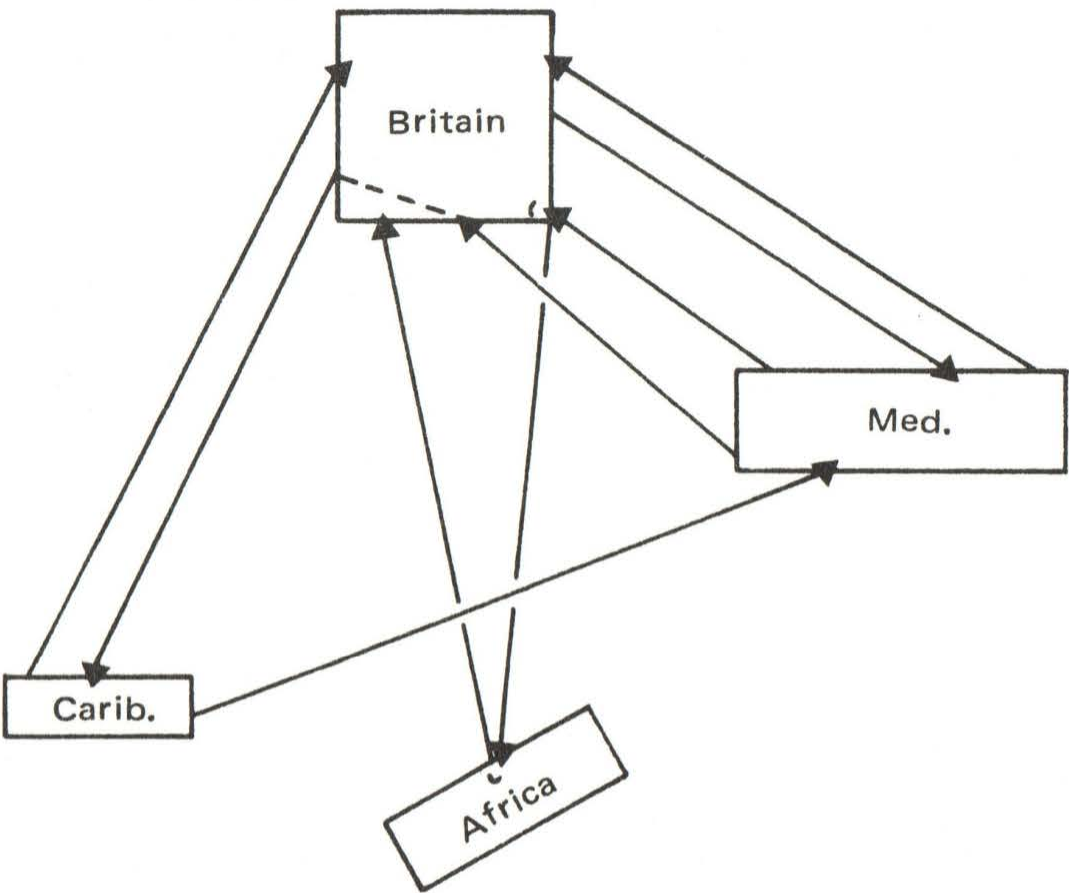
Britain → S. America → Med.  
by 1840



	S.A.	Med.	Brit.	W. Africa	
5/40 -	Rio de Janeiro		(x) London	x Cape Verde Is.	<u>Racer</u>
11/40	Ancona	x Trieste	x Plymouth		(Scarborough)
					147 tons.

Owned: Le Bailli,  
Le Bas

Britain → Med. → Britain; and Caribbean/Africa  
by 1840



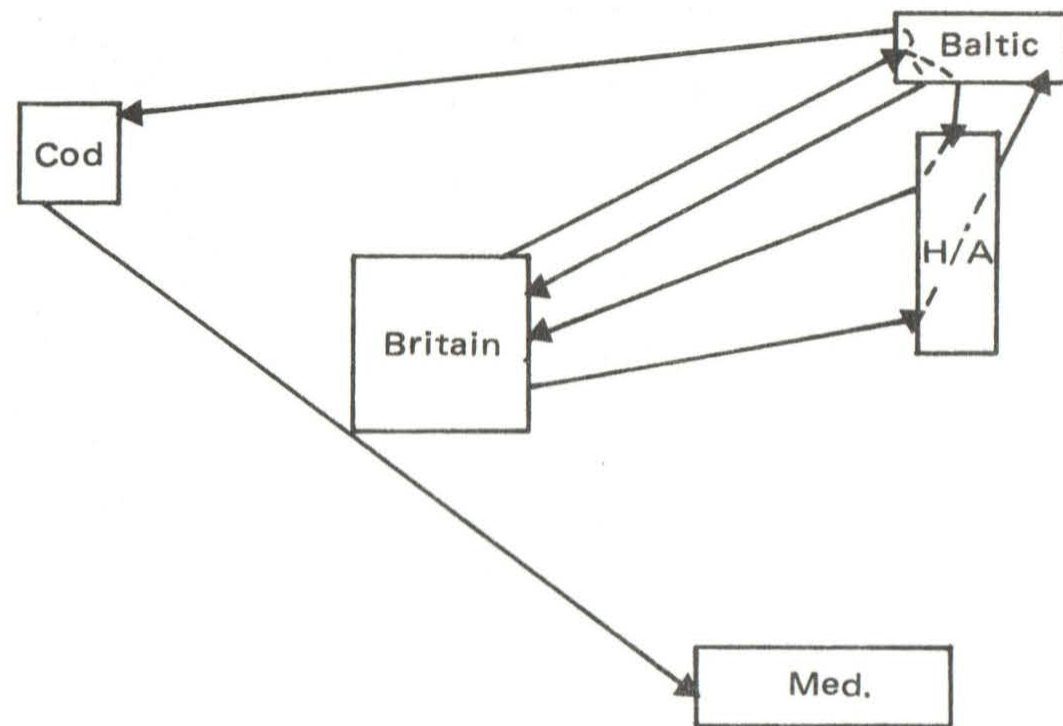
	Med.	Brit.	Carib.	
12/39 -	(x) Gibraltar		x Matangas	<u>Lord Anson</u>
4/40		x Cowes x London		(Quéripel)
				124 tons

Owned: Mauger

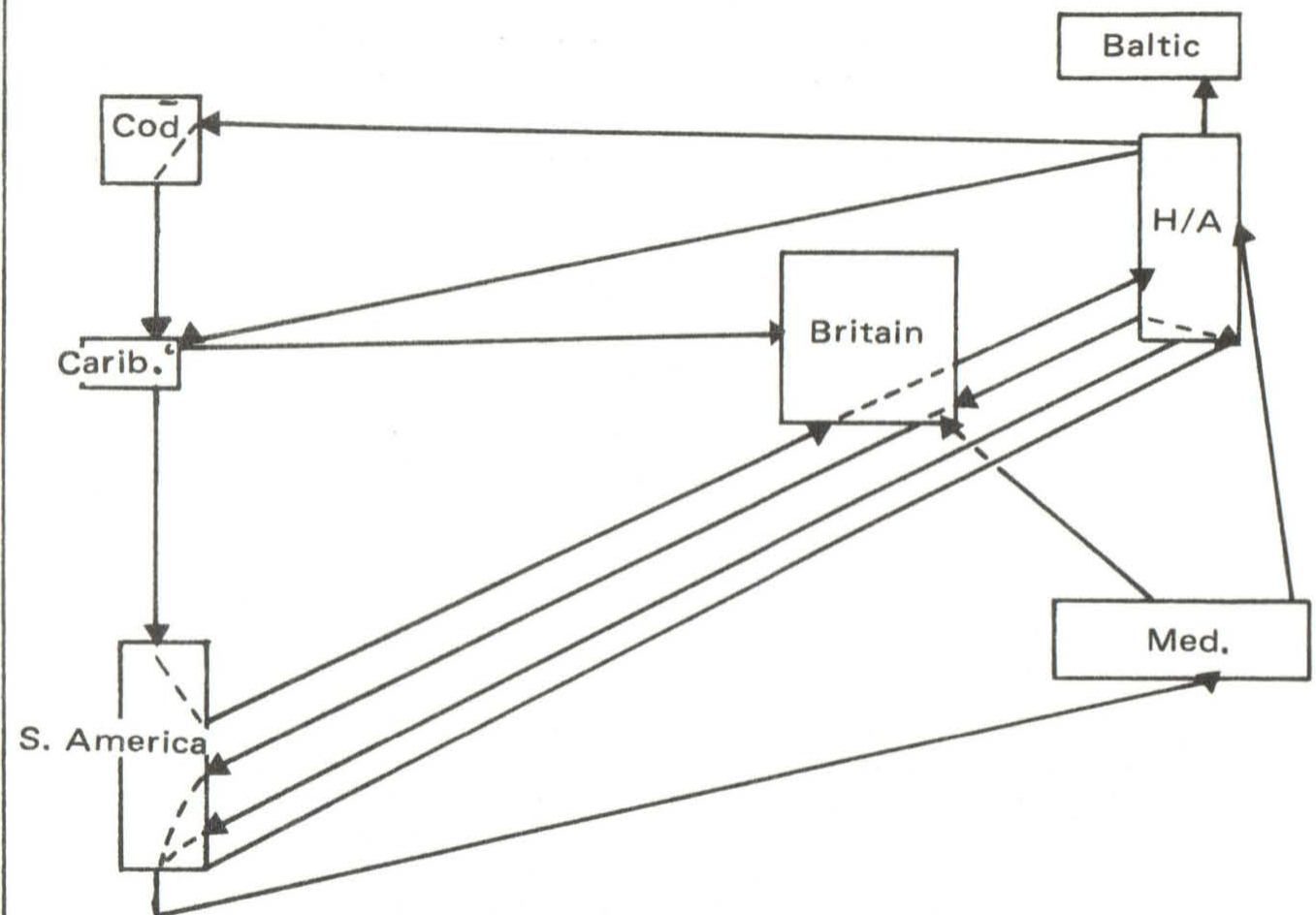


# APPENDIX II

Britain → Baltic  
by 1840



S. America → Hamburg/Anvers or Baltic  
by 1840



	Britain	Baltic
6/40-	(x)	Elsinore → Rostock
7/40	Jersey	→ Warnemunde
	<u>Medusa</u>	101 tons
	(Huelin)	Owned: J. Simon

	S.A.	Britain	Cod	H/A
11/39-	Rio de Janeiro	x Cowes	Gaspé (x)	
5/40		x Falmouth		x Bremerhaven
		Hull x		
		x Jersey	<u>Adelaide</u>	80 tons
			(Mauger)	Owned: Martell & Vibert



13. "LA LUTTE DU CLERGÉ  
CONTRE LE MARCHAND DE  
POISSON": A STUDY OF POWER  
STRUCTURES ON THE GASPÉ  
NORTH COAST IN THE NINETEENTH  
CENTURY

F. W. REMIGGI

Department of Geography  
McGill University







# "LA LUTTE DU CLERGÉ CONTRE LE MARCHAND DE POISSON": A STUDY OF POWER STRUCTURES ON THE GASPÉ NORTH COAST IN THE NINETEENTH CENTURY

F.W. Remiggi

One conventional view of the Gaspé region holds that a merchant class was dominant throughout most of the nineteenth century, while the popular belief throughout the remainder of Quebec claims this privilege for the Catholic Church. In the light of the above contradiction, the principal aim of this paper is to re-examine the myth of Church dominance, particularly as it applied to the rural regions of Quebec. Recent studies have hinted that Church dominance of the *canadiens* during the French Regime was not as complete as has always been assumed. This would suggest perhaps that more research in this field should be executed for different periods in the history of French Canada.

By using clerical and lay documents obtained in the diocesan archives of Gaspé, it is hoped that a more accurate assessment of the role of the Church in the everyday life of the nineteenth century French-Canadian "habitant" will be achieved. In reviewing the relationship between the French-Canadian clergy and the merchants of the Gaspé region, the study will attempt to demonstrate that the French-Canadians responded more readily to economic and ecological conditions and constraints than they did to clerical imperatives.

## THE CHURCH MYTH

The literature on the Catholic Church and its role in the evolution of French Canada over more than three centuries is overwhelming, particularly from the French-language social science press.<sup>1</sup> Every feature of the Church, from its purely religious functions to its performances in the socio-cultural, political, judicial and economic spheres of French-Canadian life, has been the object of numerous research projects, theses and conferences throughout this century. Despite this abundant documentation, the position of the Church in the everyday life of the French-Canadian "habitant" has yet to be researched and established. In an article assessing the scope of studies on the Church in French Canada, Falardeau concludes that much of the existing literature is of a descriptive nature, and contributes little to a "scientific" understanding of the role of the Church in French-Canadian history.<sup>2</sup> He argues particularly that the nineteenth century history of the Church has yet to be written.<sup>3</sup> In a more scathing attack, Fernand Ouellet writes that the literature is composed of little more than a few ecclesiastical biographies, some monographs on religious communities, an impressive array of parish studies by amateur historians, and "only a few good articles."<sup>4</sup>

Several factors have contributed to this often superficial, largely descriptive, character of the literature, not least of which has been the predominance of clerical



researchers, particularly historians such as the renowned Canon Groulx. Church control of most of Quebec's post-secondary institutions, at least until recently, constitutes a second cause. These factors together have resulted in an inordinately high degree of subjectivity in the literature, usually in favour of the Church itself and traditionally in support of the clergy. Ouellet writes: "Il n'est pas étonnant non plus que le cléricalisme soit aussi un des traits les plus voyants de notre première construction de l'histoire. Ici l'objectivité n'avait aucun droit."<sup>5</sup> Finally, there has been a remarkable absence of studies based on detailed archival research and fieldwork in the parishes and dioceses of French Canada, despite the wealth of materials available throughout Quebec, and in spite of easy access to these by most clerical researchers. Indeed, much of the literature on the Church has been more concerned with the respective philosophical positions of individuals than with using empirical evidence to assess the day-to-day role of the institution. Overall, this has led to a general conclusion, still popular today, that the Catholic Church was effectively omnipotent in all of French Canada throughout the entire period prior to the Quiet Revolution of the 1960's. As Moreux writes: "Le décalage entre la réalité historique et la légende cléricale est patent".<sup>6</sup>

## DIOCESAN ARCHIVES

Diocesan archives constitute a valuable source of data that has yet to be used effectively by researchers investigating the history and evolution of French Canada.<sup>7</sup> For example, the archives of the Roman Catholic Diocese of Gaspé, in the city of Gaspé contains a wealth of data covering almost every facet of Gaspésian society since the late 1600's.<sup>8</sup> This data, which is particularly rich for most of the nineteenth century, can be divided into three basic categories. The most important, by far, is the voluminous correspondence by the local (Gaspé) clergy with the bishop who initially resided in Quebec City and, in the last quarter of the nineteenth century, in Rimouski. There is also a more limited correspondence by laymen, including several merchants and their agents, which frequently took the form of petitions. Finally, there is a series of detailed reports which emanated from each mission and parish on the Gaspé coast in September of every year. The latter outlined the extent and quality of religious practice on the Gaspé coast (e.g., the total number of parishioners who had exercised their Easter Duty); they likewise described the fiscal state of each parish, listed the personal revenues and expenditures of the parish priest, and frequently contained notes on the demographic growth or decline of the parish or mission.

The most general conclusion that can be drawn from an examination of the clerical correspondence in the archives is that the Catholic Church did in fact exert overwhelming control over every sphere of daily life along the Gaspé coast throughout most of the nineteenth century. The very least which can be written is that the clergy *assumed* that the Church and her representatives had every right to this control and authority, and therefore attempted to influence all spiritual and temporal matters in the Gaspé region. Indeed, the Gaspé clergy wrote frequently and regularly to the bishop, or to his vicar general, to consult on problems ranging from sexual and marital mores and practices to

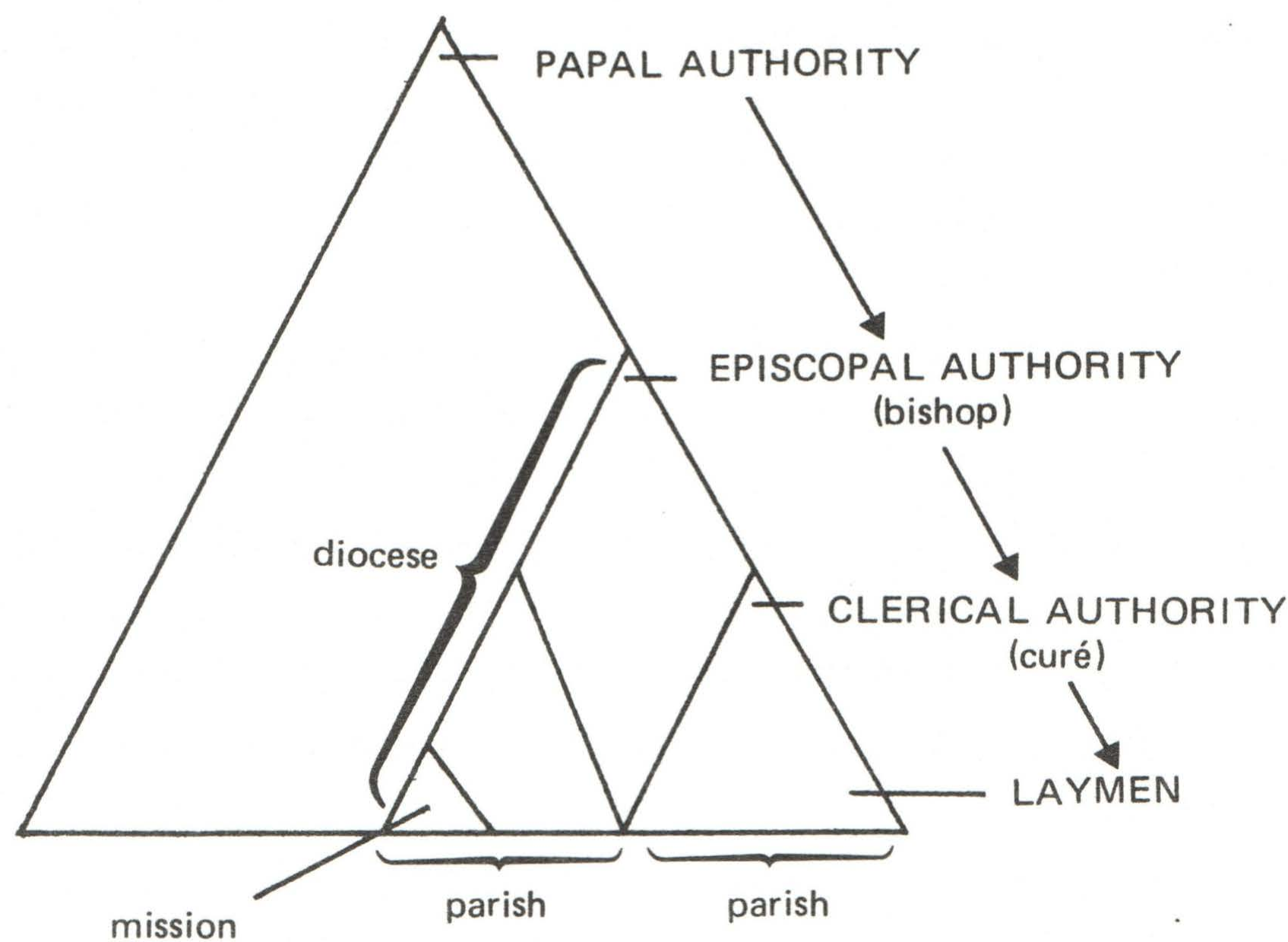


merchant behaviour and financial difficulties within the parish.

To analyze this clerical correspondence properly, it is essential to start from the premise that the nineteenth century Catholic Church, both in the Gaspé and the remainder of Quebec, constituted a socio-economic organization with a well-established and hierarchical infrastructure which was founded first and foremost on the parish and its cure (see Figure 1). Falardeau argues that the parish "can be adequately understood only if it is, first of all, seen as an organizational element of the larger Catholic Church."<sup>9</sup> He adds that the parish is essentially "not only an organic element of the Church but its miniature replica."<sup>10</sup> At a higher level parishes and missions were grouped by region into dioceses that fell under the jurisdiction of the bishop. The power of the parish priests stemmed directly from the bishop who, at least in the case of Gaspé, kept himself in close and constant contact through his immediate subordinate, the vicar general, with every priest in his diocese.

Figure 1

#### CHURCH HIERARCHY AND INFRASTRUCTURE



Central to the maintenance and proper functioning of this structure was the need for a continued source of income, which had to be obtained at both the episcopal and clerical levels of the hierarchy. Thus the bishop had to acquire money to sustain his staff and diocesan works such as seminaries, hospitals, and colleges, while the parish priest had to ensure his own livelihood and the general upkeep of his parish. Financial matters were therefore a prime consideration in the founding of every parish throughout Quebec. This



is particularly evident in the clerical correspondence in the Gaspé archives: almost every letter deals either wholly or in part with the payment, and more frequently the non-payment, of the obligatory tithe (*dîme*) as well as with the general finances of the parish. Clerical and episcopal concern over the financial state of the parish was further evident in the annual reports to the bishop, which always included an extensive section on the personal revenues of the priest and those of his parish.<sup>11</sup>

Given this primary financial concern of the Church in general, and of most of its individual clergymen, much of the data obtained in the diocesan archives of Gaspé can be seen in a perspective that allows a better understanding of the Church's position vis-a-vis the settlement and growth of the Gaspé north coast. The most important example of this is the clergy's opposition to the Gaspé fisheries and their concomitant support of an agricultural economy, which can be seen more in terms of sheer financial pragmatism on the part of the Church and less on its reputed goal of maintaining French Canada's traditional agricultural way of life.

Increasing poverty throughout most of the latter part of the nineteenth century was one of the most pressing concerns of the Gaspé clergy in its correspondence with the bishop. Significantly, the clergy saw these monetary difficulties as the direct result of involvement in the fisheries (which did in fact yield increasingly poor returns as the century progressed)<sup>12</sup> and the control of fish merchants on the Gaspé population through the truck system. The impoverished condition of the Gaspé population in turn affected the Church at the most fundamental level of its infrastructure, i.e., the self-financing parish. A selection of passages from letters in the diocesan archives highlights this point succinctly:

I have, however, to regret the non-payment of their tythes this year, by more than one-half of the population, in consequence of the failure of their fisheries and not a reluctance to pay if they were able.<sup>13</sup>

La pêche est nulle; la plupart des familles souffrent actuellement les basseurs de la faim; quelques uns n'ont pas de vêtements. La dîme qui se paye en morue ne sera pas payée cette année, excepté par un très petit nombre.<sup>14</sup>

Ma dîme se sent de la pauvreté générale. Ici pas de pêche, pas de dîme, et tout le reste se suit.<sup>15</sup>

The non-payment of the tithe resulted in such problems as the delayed construction of Church buildings such as chapels and presbyteries. Where construction had been made possible through loans from the bishop and/or from laymen (including the occasional merchant), the non-payment of the tithe created embarrassing situations whereby the curé could not meet parish debts. Inevitably, a prolonged state of indebtedness led to further problems, especially with the fish merchants. For example, there is a lengthy and detailed set of letters and legal documents in the Diocesan Archives of Gaspé concerning Church property in the parish of Cap-des-Rosiers. Land which had been donated to the Church by one French-Canadian parishioner and on which the Church had constructed its chapel and presbytery was held in mortgage by merchants of Gaspé Bay, including Fruing



and Company and Wm. Hyman and Company. In the conflict which ensued, the merchants even threatened court action. Intervention by the bishop, and the subsequent "donation" of the land by the merchants, eventually resolved the immediate problem, but not without embarrassing the clergy and undermining the Church's power and authority.

The bishop and the diocese were similarly affected by the poor returns of the Gaspé fisheries, since episcopal and diocesan collections were largely ignored by the Gaspé fisherman. For example, in reporting to the bishop that the latest drive to collect funds for the diocesan seminary had reaped poor results, one parish priest added: "la pêche est bien pauvre. La dîme et les oeuvres diocésaines sont en conséquence de la pêche."<sup>16</sup>

Much clerical criticism of merchant behaviour and practices, as they affected both the Gaspé population at large and the Church, is also found in letters to the bishop.

We cannot get money to receive our supplies or provisions from Québec but generally orders on the merchants here who sell at an extraordinary rate.<sup>17</sup>

C'est difficile de collecter la dîme parce que les pêcheurs n'ont pas d'argent et les marchands ne veulent pas leur en donner, parce qu'ordinariement, ils doivent toujours plus qu'ils peuvent payer et à mesure qu'ils ont quelques morues les marchands l'enlèvent.<sup>18</sup>

La pêche ayant presque fait défaut l'année dernière, les gens se sont beaucoup endettés cet hiver chez les marchands, et ils n'ont pas sitôt pris une morue que ces derniers s'en emparent.<sup>19</sup>

In isolating the Gaspé fisheries and fish merchants as the two major causes of the poverty of the Gaspé population, and hence of the Catholic Church established in the settlements along the coast, the clergy turned increasingly to agriculture as the only possible alternative economic basis to overcome their financial difficulties. Contrary to the popular belief, propagated by some priests who have written on the Gaspé region, it is important to note that several clergymen probably did not view this intended shift in the economy as a "war against the merchants."<sup>20</sup> Initially, the attempt to woo fishermen to a fully, or at least to a partially, agricultural lifestyle was intended to assure the Church's economic viability in the region. Moreover, it should be remembered that most clergymen came from areas elsewhere in Quebec where agriculture predominated and they were familiar with such a system: more significantly, they knew how they themselves could operate within an agricultural economy. For instance, the Church in Quebec had traditionally accepted grains and other farm produce as payment for the tithe. This produce was then either consumed by the parish priest and his staff or exchanged for cash at the local market. In the Gaspé region it was almost impossible to accept this form of payment, since most fishermen who tended their land usually produced only enough garden crops to feed their own families. In the westernmost settlements of Cap-Chat and Ste. Anne-des-Monts where agriculture was more prevalent, the local market was controlled by the fish merchants who were rarely disposed to pay cash for farm produce. The parish priests in these settlements were thus subject to an indirect form of the truck



system despite their non-involvement in the fisheries. Note, for example, the following passages from the diocesan archives.

J'ai chez moi un certain nombre de minots de grain que j'ai fait collecter pour l'évêché. J'ai essayé tous les moyens pour le réduire en argent mais je n'ai pu réussir. Les marchands ne veulent pas l'acheter. Dites moi, s'il-vous-plaît, comment vous le faire parvenir.<sup>21</sup>

Avec la dîme en grain ici, le but du Mandement [of the bishop] qui veut l'entretien convenable des pasteurs, ne serait certainement pas rempli ici. Pour plusieurs raisons, il serait impossible de vivre ici avec la dîme en grain. D'abord, nous ne pourrions pas nous defaire du petit peu de grain que nous pourrions recevoir. Par le défaut des communications, il n'y a pas de commerce de grain.<sup>22</sup>

The basic conservatism of the Church establishment and its clergy was also undoubtedly intertwined with the Church's intimate knowledge of and involvement in the traditional agricultural economy of French Canada. The Gaspé clergy did not necessarily object to the fisheries and the merchants *per se*, but rather they were disconcerted by their own unfamiliarity with the fisheries and their newly-acquired impotence vis-a-vis the merchants. Elsewhere in Quebec the clergy retained an important role in the financial underpinnings of both the rural and urban parishes, even in emerging industrial urban centres such as Montreal. In the Gaspé region, on the other hand, the Church could integrate itself within the economic structure of the fisheries only within the limits determined by the largely non-Catholic merchant class. The tenacious fish merchants presented an adversary force rarely encountered in most other areas on the continent where French Canadians had settled, except perhaps in the growing industrial towns of New England, where the Church was established after massive in-migration of French-Canadians. It is perhaps significant that in the Gaspé the Church was also established in the aftermath of the French-Canadian migrations to that region.<sup>23</sup> In the remainder of French Canada, and especially in those areas to the north of the St. Lawrence Lowlands, the Church constituted a significant element in the expansion of the frontier, particularly after the 1850's when both the French Canadian elite and the clergy began to react strongly against emigration to the New England States.<sup>24</sup> Priests, such as the renowned Curé Labelle, were in the forefront of the "colonisation" movement which became institutionalized in 1867 when a special "Ministry of Colonisation" was incorporated into the newly-created provincial government. Consequently the Church established itself in areas such as the Laurentians and Lac St. Jean contemporaneously with the pioneer settlers, and prior to the arrival of entrepreneurs, who were frequently lured to these regions by the clergy itself.<sup>25</sup>

Finally, one cannot ignore the Church's traditional position vis-à-vis the survival and growth of French Canada. The belief that agriculture was the only viable and acceptable economic pursuit for the mass of French-Canadians was entrenched in Church ideology.



Les quatre grandes institutions d'origine divine nécessaires et suffisantes pour assurer le salut temporel et éternel de l'humanité sont la religion, la famille, l'agriculture et la propriété privée. Ce sont les quatre colonnes qui soutiennent l'édifice social, lequel s'écroule infailliblement si l'une des trois premières est ébranlée.<sup>26</sup>

The Church had adhered to this philosophy since the earliest years of the French Regime. After the Conquest the clergy espoused it even more vigorously than ever before.

Tandis que la "nature" des Anglo-Saxons les pousse vers le commerce et l'industrie, celle du Canadien-français l'attache à la charrue, il a une "vocation agricole"; à la rigueur une petite industrie locale est admise, mais qu'elle garde un caractère familial et soit inspirée par les besoins de la communauté, non par un souci d'enrichissement individuel.<sup>27</sup>

In the Gaspé region, the agricultural ideology of the Church frequently resulted in a contemptuous view of the fisheries and, more significantly, of fishermen. In fact, several priests saw the fishermen as lazy individuals who drank too much, worked too little, and made no visible effort to contribute to the survival of the Gaspé parishes.

La pêche attire ici ce qu'il y a de plus pauvre dans les autres paroisses. Ce printemps, il m'est arrivé de Rimouski deux familles.... Il paraît que ce n'est pas de la première classe.<sup>28</sup>

Dans les limites de ma juridiction il y a 195 pêcheurs étrangers qui d'après le mandement du 8 septembre dernier, 1877, devraient payer dix cents par mois. Ils sont ordinairement quatre à cinq mois ici, ce qui donnerait au missionnaire \$95 à 100. Pas un seul n'a voulu payer disant que ce n'était pas juste de payer ici et dans leur paroisse. Quelques uns n'ont dit qu'ils consulteraient leur curé avant.<sup>29</sup>

Les habitants deviennent un peu plus cultivateurs; la paresse est encore en honneur chez quelques uns, ce que j'espère diminuer en les portant à la culture de la terre; si le rum disparaissait on pourrait espérer faire quelque chose de cette petite mission [of Mont-Louis].<sup>30</sup>

Given the Church's general policy of promoting an agricultural economy in the Gaspé at the expense of the fisheries, it is essential to note that the relationship between the Gaspé clergy and merchants varied considerably from one parish to another, depending greatly on the personal attitudes and behaviour of both the curé and the merchants or their agents. For example, there are a few documented cases wherein the parish priest demonstrated much astuteness in recognizing the need for joint fishing-farming in the environmentally-limited Gaspé, which also lacked the necessary market conditions throughout much of the 19th century for a thriving, fully agricultural economy: "Alors nous couvrirons toute cette côte déserte en plusieurs endroits mais abondante en pêche et en excellentes terres."<sup>31</sup> When lumbering became more prominent in the overall economy of the Gaspé north coast in the late nineteenth and early



twentieth centuries, several priests likewise perceived the potential benefits of the industry for their respective parishes:

pour ma part, je trouve avantageuse pour la paroisse de multiplier les industries, que de plus la route qu'il demanderait au Conseil et le chemin de cette route à son moulin nous donnerait le moyen facile d'arriver à l'extrémité de la terre, où il y a peut-être beaucoup de bois utile pour cloturer la terre, chauffer le presbytère et des parties de terre excellente pour la culture.<sup>32</sup>

Some merchants also attempted to promote a certain degree of entente with the local Gaspé clergy and the Church hierarchy. Philip Robin, for example, frequently entertained the priests and missionaries who visited and resided on the Gaspé coast in the early 19th century.

Me Robin, chez que j'ai dine hier soir, m'a prié de vous faire ses meilleurs compliments, il admire votre bonté et m'as parlé de vous qu'avec le plus vif interet.<sup>33</sup>

When Robin died in 1841, his favourable relationship with the Catholic Church was evident in his £129/3/8½ bequest to the mission of Bonaventure, on the Baie-des-Chaleurs. Other merchants and agents promoted cordial relations with the Gaspé clergy by contributing visibly to the Church coffers. Thus Jean LeBoutillier, another fish merchant and seigneur of the parish of Ste. Anne-des-Monts, donated the land on which the church in that parish was later built. This "generosity" did reap benefits, if only in the short term, in that individual clergymen in those parishes and missions which profited from the merchants were less vocal in their attack on the fisheries and those who controlled them. For example, one parish priest of L'Anse-au-Griffon, on the Peninsula's northeastern coast, was very cautious in criticizing the non-Catholic agent in that settlement for the latter's treatment of his servant:

L'agent...est pourtant très bien disposé en affaires pécuniaires, pour la fabrique, les écoles et le curé. S'il venait à refuser ses bons offices, ce serait un dommage serieux pour les catholiques de cette paroisse.<sup>34</sup>

At the other extreme the strife between Church and merchants took the form of an outright antagonism between the parish priest and the local merchants. One of the most openly vicious of these struggles, and one of the best-documented in the Diocesan Archives, occurred in Ste. Anne-des-Monts in the early 1880's when the curé openly attacked the merchants for unethical behaviour, and for robbing and unfairly treating his parishioners. One agent responded to these accusations by complaining to the bishop:

Soit malice, prétention, vengeance ou absence d'intelligence, je ne sais à laquelle de ces causes attribuer la conduite inconcevable et peu charitable de M. Auger à notre adresse, soit en chaire, soit au cathéchisme les dimanches, toutefois ce Révérend Monsieur ne cesse de nous prodiguer des injures de toutes natures.<sup>35</sup>



This particular case was finally resolved when the merchants threatened court action and the bishop responded by replacing the parish priest.

Despite these local and temporal differences in Church-merchant relationships, the Church hierarchy seems to have retained a firm policy of promoting agriculture in Gaspé throughout the nineteenth century. Moreover, it would appear that the Church received much government support in its stand against the fisheries. For instance, speaking in 1832 Papineau voiced openly the opposition of the French-Canadian politicians to fishing:

It was encouraging a species of industry the least proper for this country; for every fisherman they created they withdrew a cultivator from the soil, a pursuit that is infinitely more fit for Canada than any fishery.<sup>36</sup>

Later politicians and intellectuals continued with added vigour to favour the expansion of agriculture in the Gaspé Peninsula.<sup>37</sup>

The soil holds the first place among the natural riches conferred upon a people and that of all the arts, that which has for its object the cultivation of the soil, is the most worthy of occupying the attention of Economists and Legislators.<sup>38</sup>

Thus, in those years when the combined failure of the fisheries and the harvest reduced some Gaspé settlements to near-poverty, petitions for assistance from both the bishop and the government were usually answered in the form of grains for planting. There is no evidence, at least in the diocesan archives, that either the bishop or the government ever replaced lost or damaged fishing equipment.

## RESPONSE OF THE GASPÉSIAN FISHERMEN

In this struggle over their lifestyle, it would appear that the Gaspé population did not respond strongly and uniformly either in favour of the Church or the merchants, either for agriculture or for fishing. For example, in a letter to the bishop in 1870, the syndics of Cap-Chat complained bitterly that the fishermen, who then comprised one-third of the population in that community, placed a heavy burden on the farmers by not paying their tithes. Conversely, the syndics of Grande-Vallée, a more fishery-oriented parish to the east of Cap-Chat, petitioned the bishop to order their parish priest to cease interfering in their fishery and to run their parish on a budget that befitted them.

Premièrement je dois vous informe que le Révérend Monsieur Fraser veut nous imposer des ouvrages qui nous sont insupportable pour nos moyens.... et nous ne sommes pas plus riches. Je vous dirai Monseigneur que le Révérend Monsieur Fraser veut faire tout à pris d'argent, cela est plus que nos moyens.<sup>39</sup>

In terms of nineteenth century Quebec, it is most significant that the Church and clergy did not receive immediate and unquestioning support in their stand against the fisheries, nor, for that matter, in many of their other decisions and actions undertaken in the Gaspé. In fact, a number of documents in the diocesan archives seriously question the



validity of the still popular, traditional image of the nineteenth century French-Canadians as complacent, obedient followers of almost all Church doctrines and ordinances. For example, the Church's ban on mixed marriages was clearly ignored by many French-Canadians, both male and female, who migrated to the Gaspé where a significant proportion of the population was non-Catholic. The bishop himself attempted to stop the practice:

Nous avons appris avec chagrin, N.J.C.F., qu'au milieu de vous des catholiques se sont mariés devant des ministres protestants, nonobstant les avertissements qui vous ont déjà été donnés à ce sujet. Et comment ces personnes osent-elles continuer à se dire catholiques quand elles désobéissent ainsi formellement à l'église catholique.<sup>40</sup>

The Church was eventually forced into granting special dispensations (at a cost of \$2.00 each) to allow priests to marry Catholics with Protestants, whilst ensuring that the children issued from those marriages would be raised in the Catholic Faith.

Comme d'après vos rapports et ceux de vos confrères missionnaires, il arrive fréquemment dans vos missions, que des catholiques vont se marier avec des protestants, devant le ministre; d'où il arrive ordinairement qu'les enfants issus de ces mariages sont élevés dans le protestantisme; désirant autant qu'il dépend de moi, empêcher ce mal, et pourvoir à l'éducation chrétienne des enfants qui naîtront des mariages mixtes que vous ne pourrez empêcher, en vertu d'un ..... du 26 mars 1857, je vous autorise, par la présente, à dispenser de l'empêchement de la communion mixte, dans toute l'étendue de votre propre mission, et depuis dans celles de la Grande-Rivière de Percé et de la Rivière-au-Renard et autres lieux qui en dépendent.<sup>41</sup>

The annual reports to the bishop also provide some data which would indicate that, at least in some missions and parishes, the authority of the Church was contested. Note, for instance, the following passage extracted from the 1897 report for Grande-Vallée.

Les gens de la Petite-Vallee (a mission of Grande-Vallée) subissent depuis plusieurs années l'influence d'un certain individu qui fait un mal énorme. Cet homme prêche l'insubordination à l'autorité religieuse, nie ouvertement la divinité de la confession, falsifie l'histoire de l'Eglise qu'il prêche tel à ces paroissiens.<sup>42</sup>

These and other examples from the diocesan archives would suggest, therefore, that the Church was not as powerful as might be imagined. An increasing number of studies have likewise demonstrated that during the French Régime and in the period following the conquest Church authority was both questioned and often ignored by the French-Canadian habitants.<sup>43</sup> Moreux argues that the traditional view of the French Régime as the "Golden Age" of Catholicism in Quebec is the product of the "clerical ideology" which persisted in the province until recently. This view, now being reassessed, is unfounded if one examines parish monographs, reports by parish priests, and episcopal ordinances which abound in complaints of "tièdèur religieuse" and poor material support



for parish priests.

Si l'habitant se laisse assez bien extorquer des fonds pour l'érection de bâtisses qui feront honneur à son rang et à sa paroisse, il demeure intraitable lorsque le curé prétend asseoir légalement ses privilèges monétaires. Enfin, la piété des fidèles laisse à désirer. Certes on voudrait avoir des prêtres, mais, si l'on en obtient, on fréquente irrégulièrement la messe, on continue de garder la fâcheuse habitude de baptiser soi-même ses enfants, et de se contenter de dévotion familiale, frôlant la magie.<sup>44</sup>

Writing on the early nineteenth century, Groulx arrives at a similar set of conclusions:

"Indéniablement, la tièdure y est; et même plus que la tièdure: l'indifférence religieuse; et plus même que l'indifférence; l'abandon de la pratique religieuse."<sup>45</sup>

In the Gaspé region such behaviour by the French-Canadian settlers, both fishermen and farmers, does not appear to have occurred except among a small number of individuals. The annual reports to the bishop reveal a quasi-total adherence to and observance of religious practices and traditions. On the other hand, the priests' continual references to the non-payment of the tithe does suggest that the Gaspé population recognized a distinction between religious and temporal matters, between spiritual and material well-being (see Figure 2). Consequently, it is doubtful that the clergy had much success in their attempts to sway the fishermen to an agricultural economy. At any rate, it is more than questionable that the clergy's only powers — persuasion, influence and good will — could compete adequately with the merchants' more effective, tangible truck system which assured the continued involvement of a large number of Gaspésians in the fisheries. Government censuses and fisheries reports do indicate a steady decrease in the returns from the fisheries and a corollary increase in agricultural productivity as the nineteenth century progressed, but it is more than likely that this shift in the economic base of the Gaspé region was the result of ecological and economic conditions quite beyond Church control.<sup>46</sup>

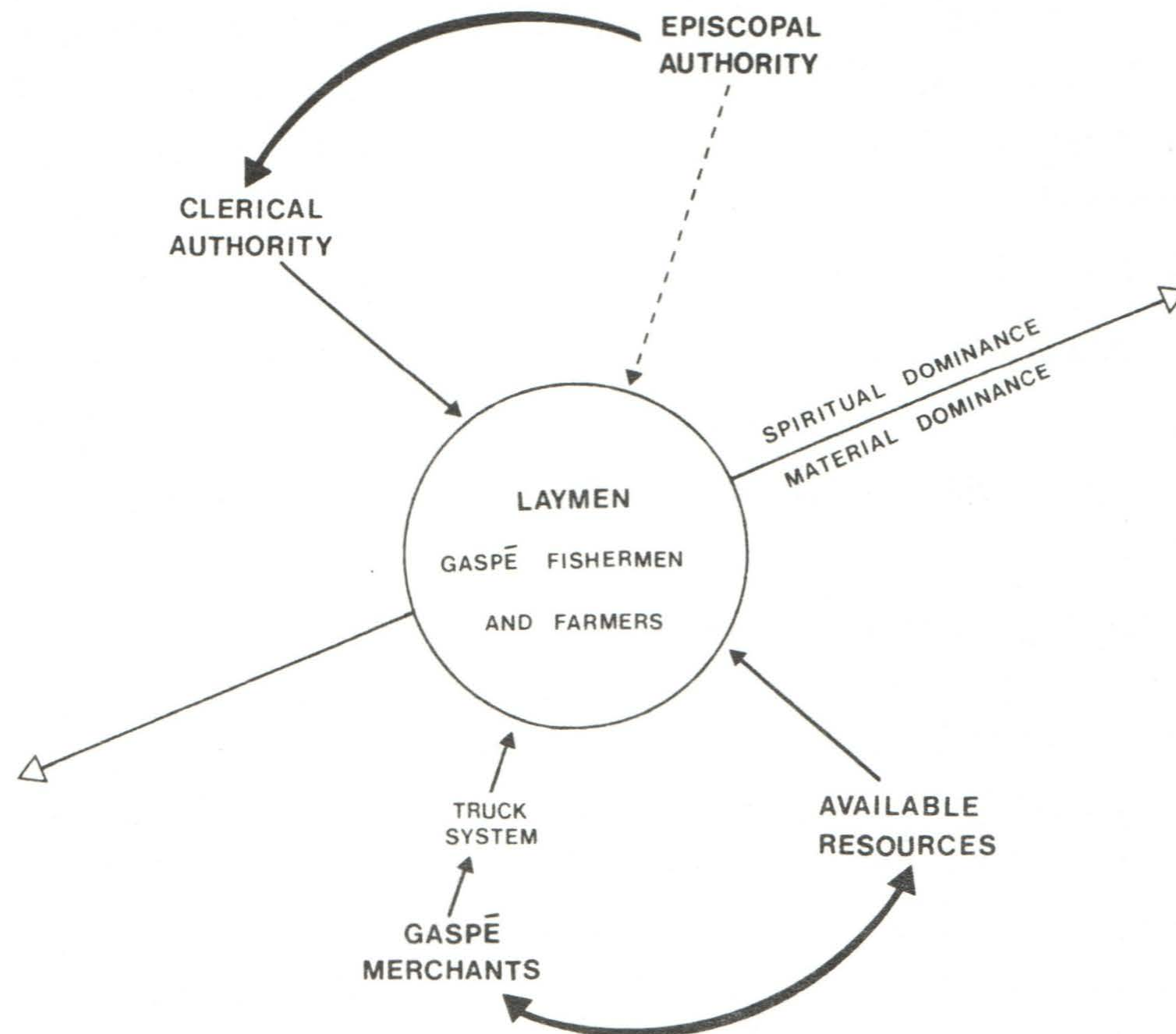
The population of our country [Gaspé] is chiefly composed of fishermen, whose habits and tastes accord little with the qualities necessary to form good husbandmen or dauntless pioneers of the forest. And, in truth, in no part of the province has agriculture been more neglected, and nowhere is it so little appreciated, as in our country, and the eastern section particularly. However, there is perceptible of late years, amongst our young habitants, an anxiety to acquire the ownership of the soil, and to develop its resources; a tendency which the bad success of the fisheries for some time back, and the increase in population, will further stimulate.<sup>47</sup>

Indeed, Blanchard writes further that fishing persisted as the major activity of most of the inhabitants along the northeastern coast of the peninsula, where the local environment was simply not conducive to any form of agricultural pursuits other than subsistence gardening.



Figure 2

POWER STRUCTURES ON THE GASPÉ NORTH COAST, 19th CENTURY



## CONCLUSIONS

Social and moral solidarity ... made the French-Canadian population as clay in the hands of the ecclesiastical potter. The conservatism and traditionalism of such a homogeneous agricultural type of mind on the one hand rendered the people willingly obedient to the unquestioned authority of the church, while on the other, the barrier of language and the censorship of the hierarchy shut out everything tending to question this authority of the church.<sup>48</sup>

Riddell's statement summarizes succinctly the traditional view of the role of the Catholic Church in French Canada from the time of the French Régime through to the period of the Quiet Revolution of the early 1960's. The diocesan archives of Gaspé support this viewpoint to the extent that the Gaspé clergy, in their correspondence and reports, discussed every feature of Gaspé society and assumed, both explicitly and implicitly, that they had a role to play in altering and shaping that society. The basic question which follows, however, is the extent to which this clerical concern and interest transmitted itself into real power and influence over the French-Canadian population of the Gaspé.

This paper has attempted to demonstrate that while the Church usually exercised much control over spiritual and religious matters, the Catholic fishermen of the Gaspé



region did not necessarily respond favourably to Church directives which could affect their material and economic welfare. Conversely, the fish merchants, and later the lumber capitalists, were much more influential in shaping the economic activities of the Gaspé population by determining the nature of resource exploitation in that region. Thus, in the struggle for dominance between the Gaspé clergy and merchants, the former were clearly the antagonists while the latter merely defended their right to exploit part of the resources available in that region. Because the Church proposal to promote an agricultural lifestyle was not especially viable in economic terms throughout much of the nineteenth century, the impact of the Church-merchant struggle on the Gaspé population was minimal. Ultimately, it could be argued that the French-Canadian fishermen of the Gaspé dismissed their clergy's position as impractical and untenable for purely material reasons. With little capital and being dependent, therefore, on exploiting those resources which were most remunerative in the short-term rather than in the long-term, the Gaspésians preferred fishing to farming, just as they later preferred to work for the lumber companies. Like most peasant societies,<sup>49</sup> the nineteenth century French-Canadians were little concerned with philosophical positions such as those held by the nineteenth century Catholic Church, unless these concurred with their perception of the best form of resource exploitation. Thus, when economic conditions both in Quebec and in the New England States favoured emigration, millions of French-Canadians did so, despite massive Church opposition. On the other hand, when northern Quebec was opened for settlement later in the century, Church encouragement did help to promote movement to those areas. Similarly, the Gaspé fishermen did turn increasingly to agriculture towards the end of the century, but by then the fisheries no longer presented a viable way of life except for a smaller number of communities and individuals.

## NOTES

1. See, for example, the extensive bibliographies in Jean-C. Falardeau, "Les recherches religieuses au Canada français," *Recherches Sociographiques*, III (1962), 209-228, and Colette Moreux, *Fin d'une religion?: Monographie d'une paroisse canadienne-française* (Montreal, 1969).

2. Falardeau, 209.

3. *Ibid.*, 220.

4. Fernand Ouellet, "L'étude de XIXe siècle: myth et symbole," *Recherches Sociographiques*, III (1962), 27-42. Ouellet is one of the few historians of the Quebec (Laval) School of History to have achieved prominence in French Canada. The Quebec School of History is generally characterized by a stronger anticlericalism and a less pronounced French-Canadian nationalism than its major counterpart, the Montreal School of History. See Moreux, 4-5.

5. Ouellet, 31.

6. Moreux, 45.

7. Gaston Carrière, "Sources de notre histoire religieuse: les archives," *Recherches Sociographiques*, I (1960), 189-206.

8. The Diocesan Archives of Gaspé constitute a private collection that belongs to the Roman Catholic Church and falls under the care of the Bishop of Gaspé. These archives are not indexed and catalogued in any conventional method. Letters, petitions, reports, and other documents are merely arranged chronologically and filed according to the parish from which they emanated or to which they



were directed. Consequently, all references to these Archives appearing in this paper can only be indicated in a general fashion. Where appropriate, and where the information was available, an attempt was made to provide the names and residences of correspondents, the date when letters and other documents were written, etc.

9. Jean-C. Falardeau, "The Parish as an Institutional Type," *Canadian Journal of Economics and Political Science*, XV (1949), 353.
10. *Ibid.*, 354.
11. Some of the standard questions which had to be answered by every parish priest in his annual report included the following: "Quel a été, en l'année finie au 1er janvier dernier, le revenu de la fabrique par les bancs? par le casuel? par les quêtes? par d'autres sources ordinaires, telles que arrérages, loyers, etc.? Total du revenu ordinaire? Quel a été le revenu extraordinaire?"
12. Parlement du Canada, "Rapport annuel sur les pêcheries dans le Golfe Saint-Laurent," *Documents de la Session du Parlement du Canada*, 1870-1890.
13. Fr. J.B. McMahon, Percé, to the Bishop of Quebec, 27 September 1833, Diocesan Archive of Gaspé, Gaspé (hereafter D.A.G.).
14. Parish priest of Cap-Chat to the Bishop of Quebec, 20 July 1867, D.A.G.
15. Fr. J. Oct. Soucy, Sainte-Anne-des-Monts, to Mgr. Jean Langevin, Bishop of Rimouski, ca. 1877-78, D.A.G.
16. Fr. J. Oct. Soucy, Sainte-Anne-des-Monts, to Mgr. Jean Langevin, Bishop of Rimouski, 25 September 1877, D.A.G.
17. Fr. J.B. McMahon, Percé, to Bishop of Quebec, 27 September 1833, D.A.G.
18. Joseph St. Laurent, Cloridorme, to Mgr. Jean Langevin, Bishop of Rimouski, ca. September 1878, D.A.G.
19. St. Laurent to Langevin, 12 June 1878, D.A.G.
20. Clerical researchers have tended to portray the Gaspé clergy of the nineteenth century as the protagonists in a spiritual and economic war against the Jersey fish merchants and the truck system. For example, Antoine Bernard, *La Gaspésie au Soleil* (Montreal, 1925), 187, wrote: "C'était la vieille lutte du clergé... contre le marchand de poisson." See also L'abbé Antoine Gagnon, *Monographie de Matane: Pays de brume, de soleil, de visions* (Rimouski, 1925).
21. Fr. M. Bilodeau, Sainte-Anne-des-Monts, to Grand Vicaire of the Diocese of Rimouski, 12 April 1869, D.A.G.
22. Fr. Soucy to Mgr. Langevin, 25 September 1877, D.A.G.
23. F.W. Remiggi, "The 19th-Century French Canadian Settlement of the Gaspé North Coast (PhD dissertation, McGill University, in preparation).
24. Lower Canada, Legislative Assembly, "Report of the Select Committee appointed to Inquire into the Causes and Importance of the Emigration which takes place annually from Lower Canada to the United States...", *Journals of the Legislative Assembly (1849)*, Appendix A.A.A.A.
25. C. Morissoneau, "Le Nord québécois au XIXe siècle: myth et symbol," *Forces*, XX (1972), 8-21.
26. Jean Bergeron, *L'Agriculture et l'église: deux amies intimes d'origine divine* (Quebec, 1943), 11.
27. Moreux, 36.
28. Fr. Soucy to Mgr. Langevin, 25 September, 1877, D.A.G.
29. St. Laurent to Mgr. Langevin, ca. 1878, D.A.G.
30. Fr. E. Rousseau, Sainte-Anne-des-Monts, to Fr. E. Langevin, Secretary of the Archdiocese of Quebec, 15 February 1856, D.A.G.



31. Fr. Rousseau to Fr. Langevin, 29 May 1856, D.A.G.
32. Fr. J.A. Perusse, Sainte-Anne-des-Monts, to Mgr. A.A. Blais, Bishop of Rimouski, 26 March 1901, D.A.G.
33. M. Painchaud, Percé, to the Bishop of Quebec, 18 October 1811, D.A.G.
34. Fr. T. Smith, Anse-au-Griffon, to Mgr. A.A. Blais, 28 December 1896, D.A.G.
35. M.A. Coté, agent of C. Bertrand et Cie., Saint-Anne-des-Monts to Mgr. Langevin, 17 August 1883, D.A.G.
36. Quoted in Harold A. Innis, *The Cod Fisheries: The History of an International Economy* (Toronto, 1954), 281.
37. See, for example, Stanislas Drapeau, *Etudes sur les développements de la colonisation du Bas-Canada depuis dix ans: 1851 à 1861* (Quebec, 1863); J.C. Langelier, *Esguise sur la Gaspésie* (Lévis, 1884); Auguste Béchard, *La Gaspésie en 1888* (Quebec, 1918); Arthur Buies, *Les comtés de Rimouski, de Matane, et de Témiscouata, Exploration spéciale* (Quebec, 1890), and *La Vallée de la Matapédia: Ouvrage historique et descriptif* (Quebec, 1896); L.E. Carufel, *La péninsule gaspésienne et la colonisation dans les comtés de Gaspé et de Bonaventure* (Montreal, 1903).
38. Lower Canada, Legislative Assembly, "Report of the Special Committee on the State of Agriculture in Lower Canada," *Journals of the Legislative Assembly (1850)*, Appendix T.T.
39. M. Côté and G. Brousseau, Grande-Vallée, to Mgr. Langevin, 18 February 1889, D.A.G.
40. Bishop of Quebec to all residents of the Gaspé region, February 1858, D.A.G.
41. Bishop of Quebec to Fr. M. Fafard, Douglstown, 19 February 1858, D.A.G.
42. *Rapport annuel sur la paroisse de Grande-Vallée* (1897), 15.
43. Jean-C. Falardeau, "Rôle et importance de l'Eglise au Canada français," *Esprit*, CXCI-CXCIV (1952), 214-229; Fernand Dumont, "Réflexions sur l'histoire religieuse du Canada français," in *L'Eglise et le Québec* (Montreal, 1961), 47-65; Laurier L. Lapierre, "Les relations entre l'Eglise et l'Etat au Canada français," in *L'Eglise et le Québec*.
44. Moreux, 11.
45. Lionel C. Groulx, "La situation religieuse en 1840," *Rapport de la Société canadienne d'histoire de l'Eglise catholique*, IX (1941-42), 190-191.
46. See, for example, Béchard, 45-46; Raoul Blanchard, *L'est du Canada Français: Province de Québec* (2 vols., Montreal, 1835), I 84-85; L'abbé Paul Gendron, "Notes historiques: Saint-Jean-l'Evangéliste," *Revue d'Histoire de la Gaspésie*, I (1963), 114; Fernand Ouellet, *Histoire économique et sociale du Québec, 1760-1850* (2 vols., Montreal, 1971), II, 361; F.W. Remiggi, "Economic Incentives to Settle the Lower St. Lawrence in the 18th and 19th Centuries" (unpublished manuscript, Department of Geography, McGill University, 1976).
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14. DISCUSSION  
FOLLOWING THE PAPERS OF  
D. MCDOUGALL  
R. OMMER  
F. REMIGGI

PALMER asked if the fact that the Church in Gaspé owned large tracts of land had any bearing upon their preference that the population engage in agriculture rather than the fishery.

REMIGGI replied in the negative but stressed that the clergy feared that an increase in the fishery would strengthen the merchants. The clergy feared that such a shift would threaten clerical influence and prestige.

MILLER argued that REMIGGI'S interpretation of the church and economy seemed to run counter to the current interpretation.

REMIGGI agreed and pointed out that his work was based upon local sources rather than traditional historical materials. He pointed out that vast amounts of material at the diocesan and parish levels remain untapped by historians and suggested that if more attention were paid to these kinds of materials a number of "myths" would likely be shattered. In particular, he suggested that the notion that the Church was a strong, united institution would not likely stand under closer scrutiny. Further, he criticized historians for concentrating on Montreal and Quebec to the exclusion of other areas of the province.

MILLER asked if the suggestion that the pre- and post-rebellion bourgeoisie were vastly different could be elaborated upon.

REMIGGI suggested that the pre-rebellion elites in French Canada were characterized by a liberal anti-clericalism while the same group in the post-rebellion period were almost pro-clerical in orientation.

MCDOUGALL suggested that a different situation prevailed on the south shore of the Gaspé.

MCCANN asked if the experience of the Jersey merchants could generate any insights into the failure of Atlantic Canada to successfully move from the stage of merchant to industrial capitalism.

OMMER replied that the whole question was rather complex but that there were parallels. She stressed the impact of technological change upon a maritime society and suggested that more attention ought to be paid to the manner in which relatively marginal societies were tied into the North Atlantic economy.

P. FELT saw a parallel in this to several other papers. She asked whether it was possible to trace what happened to the Jersey capitalists, and wondered whether the Jerseyites merged their interests with the British, or whether they retained a community or family orientation?



OMMER responded by pointing out that many of the leading Jersey merchants moved closer to Britain in orientation, in large measure because of geographic proximity. But a number of leading Jersey families never really tried to make the transition from merchant to industrial capitalism, a trend which might also have characterized the behaviour of a number of merchants in Atlantic Canada.

SUTHERLAND cited a passage in Grattan O'Leary's memoirs which suggested that there were close bonds between the Gaspé fishermen and the Jersey merchants, and wondered whether this type of relationship was more characteristic than conflict between the two groups.

OMNER replied that based upon the Robin Letterbooks an amicable relationship existed between residents of the Gaspé and the merchants, particularly in the 1850s and 1860s. She suggested that much evidence exists to point toward a mutually-supportive relationship between the merchants and the local residents.

SUTHERLAND then pointed to some work done on Acadian settlements in Cape Breton which suggested acute conflict between the residents and the Jersey merchants and raised the question of which was more typical.

OMMER pointed out that there were conflicts between the Robins and the settlers as well. On the whole, however, concord was more typical than conflict. This was probably due to the mutually-supportive relationship alluded to earlier.

REMIGGI agreed that relationships between merchants, clergy and settlers in the Gaspé were generally good, but pointed out that there often were differences from town to town.



15. THE PERSONNEL AND POLICIES  
OF THE HALIFAX BOARD OF  
TRADE, 1890-1914

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## THE PERSONNEL AND POLICIES OF THE HALIFAX BOARD OF TRADE, 1890-1914

D. A. Sutherland

Research into the historical origins of economic disparity in Atlantic Canada has focused on environmental factors, national policies and the general dynamics of metropolitan-hinterland relationships.<sup>1</sup> Relatively little attention, however, has been given to the contribution made to the process of underdevelopment by regional entrepreneurs, even though entrepreneurial deficiency has become a preoccupation of contemporary commentators.<sup>2</sup> As part of the needed larger inquiry into the historical composition and performance of Atlantic Canada's business elite, this paper explores the personnel and policies of the Halifax Board of Trade during the period, 1890-1914.<sup>3</sup> These years, during which the Maritimes experienced the profound upheaval of being drawn into an emerging national economy, presented Halifax businessmen with fundamental challenges.<sup>4</sup> Their response, as expressed through the local Board of Trade, provides an insight into the linkage between entrepreneurial performance and regional disparity.

The year 1890 was not so much the beginning of the "nationalization" of the Maritime economy as the occasion of the first response to that process involving the Halifax Board of Trade. In the background lay a growing sense of crisis within the city's business community. Ever since the mid-1870s, Halifax trade with the Caribbean and the regional hinterland had been stagnating.<sup>5</sup> Completion of the I.C.R. and inauguration of the National Policy late in the 1870s had generated expectations of revitalization by means of port traffic and industrialization but, as of the mid-1880s, optimism was giving way to alarm. Curtailment of new industrial investment, a sharp decline in the rate of population growth, plummeting municipal assessment figures, increased bankruptcies and severe unemployment eloquently testified to the city's failure to adapt successfully to changing circumstances.<sup>6</sup> A fair proportion of the discontent aroused by these conditions came to be directed against the chief institution of the local business community, the Halifax Chamber of Commerce.

Formed in 1865, the veteran Chamber had been an organization traditionally dominated by the wholesale firms which presided over Halifax's commercial waterfront.<sup>7</sup> During its long existence the organization had become ossified, with executive authority being monopolized by a self-perpetuating group of aging entrepreneurs. For example, in 1884, the president of the Chamber, John Doull, had held office for seven years, preceded by three years as vice-president and a total of fourteen years on the organization's executive council. Doull's fourteen colleagues had served an average of 6.6 years on the executive of the Chamber.<sup>8</sup> Reluctance to recruit new blood to positions of prominence was compounded by a pervasive inertia, which had reached alarming proportions by the early 1880s. In 1882-83, the Chamber executive had met only once in six months, and only twelve persons attended the annual general meeting. The situation



prompted one observer to comment that "there is not another society in the city today with so little vitality as the Chamber of Commerce."<sup>9</sup>

During the mid-1880s efforts were made to reform the Chamber. Stimulated by a reduction in annual membership fees from \$10 to \$5, enrolment grew from an estimated thirty-two in 1884 to 164 in 1886. Younger merchants, retailers, craftsmen/manufacturers, professionals, and managers were drawn into the organization, so that it became more representative of the overall Halifax business community.<sup>10</sup> Nevertheless, traditions died hard within the organization. Of the eleven new men selected for executive office between 1885 and 1889, all but one belonged to the wholesaler/broker elite which had controlled the Chamber since 1865.<sup>11</sup>

The Chamber had an inhibited capacity for change, not only with respect to personnel recruitment but also in the area of policy formation. During the 1870s, the organization had worked out a development programme involving four main components: first, use of Halifax as Atlantic terminus of the Canadian national railway network; second, expansion of local involvement in the Maritime fisheries and West Indies trade; third, improvement of communications between Halifax and the regional hinterland; fourth, encouragement of investment in manufacturing.<sup>12</sup> While evasive on the provocative issue of tariff protection, the Chamber tended to assume that both commercial and industrial growth could be attained under the aegis of the National Policy. Growing local resentment against federal tariff policy eventually forced the Chamber to move beyond equivocation, however. At the annual meeting of 1886, the executive moved resolutions denouncing as "cruel and unnatural" restrictions on trade between Canada and the British Caribbean. This overt attack on the National Policy turned the meeting into a partisan battleground, with free trade Liberals ranged against protectionist Tories. The former won in a recorded vote but by so narrow a margin that the new executive retreated into equivocation on the tariff question.<sup>13</sup> This meant that the Halifax Chamber of Commerce opted out of comment on the most contentious public issues facing Canada through the late 1880s. Understandably, silence came to be associated with irrelevance. Membership fell off, and inertia appeared to grip the executive. It was enough to prompt the comment that "the Chamber has the death rattle in its throat."<sup>14</sup>

Mounting dissatisfaction with the Chamber of Commerce finally led to establishment of an alternative organization within the Halifax business community. In February 1889, some sixty individuals met at the Y.M.C.A. and agreed to establish the Halifax Board of Trade.<sup>15</sup> The new entity, open to all willing to pay a \$5 annual membership fee, became an immediate success. By March it claimed 150 members.<sup>16</sup> An occupational analysis of Board of Trade activists suggests that the organization found the core of its support within the retail section of Halifax's business community. Furthermore, a comparison of Dun credit ratings for the Board and Chamber executives indicates that the new organization was decidedly less affluent. The Board also attracted younger men, who were more likely than their Chamber counterparts to have been born outside Halifax. Clearly then, the emergence of the Board of Trade in large measure resulted from widespread resentment against the exclusive recruitment practices of the Chamber of



Commerce.<sup>17</sup>

Establishment of the Board of Trade raised the immediate question of whether two general business organizations could co-exist in Halifax. Spokesmen for the Board strenuously denied any intention of challenging the Chamber. The senior body, they reasoned, would continue to deal "with matters of a weighty nature," while its junior counterpart concerned itself with more parochial topics such as municipal taxation, utility services, auction sales, price regulation and tourist promotion.<sup>18</sup> The Chamber took a less optimistic view of the prospects for dualism. After failure of initial efforts to block establishment of the Board, the Chamber proposed amalgamation, under terms which would allow the Board to name half the executive of the merged organization.<sup>19</sup> Perhaps out of suspicion that the Chamber intended more to contain than to accommodate public discontent, the Board rejected these overtures. A year later, however, with its self-confidence bolstered by "flourishing" finances and success in organizing a summer carnival designed to boost Halifax as a resort centre, the Board of Trade agreed to unite with the Chamber of Commerce.<sup>20</sup>

Merger discussions were opened early in 1890 and brought to a conclusion that October, when the new joint organization received incorporation under federal statute. It would be known as the Halifax Board of Trade.<sup>21</sup> Membership was offered, regardless of occupation, to all willing to pay annual dues of \$5. No initiation fees were charged. Executive officers in the Board consisted of a president, two vice-presidents, and a council of up to fourteen, all of whom were to be elected by ballot at the annual general meeting. By-laws provided for monthly meetings of both the executive and general membership, with opportunity for additional special meetings as required. Complementing the executive were a series of standing committees set up to deal with matters ranging from arbitration of trade disputes to lobbying on topics of major concern to the organization. In general, the membership of these committees was established either through executive nomination or co-option. While enjoying substantial autonomy, these committees reported to the annual general meeting and appear to have maintained regular liaison with the executive council. In most respects this organizational structure was borrowed directly from the old Chamber of Commerce. The one significant difference involved a by-law which prevented Board presidents and vice-presidents from succeeding themselves for more than two years in a row.<sup>22</sup>

The terms of the 1890 merger did not, in themselves, give a clear indication as to whether Halifax's major business institution would experience a significant transformation. As the decade progressed, however, that uncertainty was removed and it soon became abundantly clear that continuity, rather than change, was going to be the order of the day. This was most obvious with respect to personnel recruitment. For one thing, the Board decided to continue with the services of C.M. Creed, who had functioned as secretary to the Chamber of Commerce for eighteen years. Again, of the twelve individuals who served the Board as president or vice-president through the 1890s, eight were formerly on the Chamber of Commerce executive. Moreover, all but one were either wholesalers or brokers. At the level of the general executive council, recruitment became



somewhat more flexible in terms of occupation. Whereas in the 1880s 82.9% of the places had gone to wholesaler/brokers, in the 1890s that figure fell to 66.7%. The degree of elitist persistence is indicated, however, by the Dun credit ratings. In 1892, the average evaluation for Board executive members was \$136,765, a total which, while 22.8% lower than that for the 1889 Chamber of Commerce, was 110.4% above the rating for the Board of Trade for 1889. The predominant impression of continuity is reinforced by comparison with the general membership lists of the Chamber in 1886 and the Board for 1894. The wholesaler/broker occupational group actually increased its presence in that period from 52.5% to 57.6% of the total. Except for corporate managers, who rose from 4.3% to 9.4%, all other categories declined.<sup>23</sup>

Stagnant performance in the realm of personnel recruitment was not an isolated phenomenon for the reorganized Board of Trade. In terms of general vitality, the organization appeared moribund within two years of its formation. An acute commercial recession, combined with long-term economic dislocation, bred despair throughout the Halifax business community early in the 1890s.<sup>24</sup> Under these circumstances the Board of Trade lost the momentum of 1889-90. Membership declined, executive activity became negligible, few attended the annual general meetings, and press comment on Board affairs virtually disappeared. Collapse was averted, however, largely through the efforts of G.J. Troop, who served as Board president for three years during the mid-1890s. A wholesale hardware merchant in his late sixties, with a record of three years executive service in the Chamber of Commerce, Troop possessed the energy and organizational capacity to restore credibility to the faltering Board of Trade.<sup>25</sup> Under his leadership, the executive council erupted into activity, commenting regularly on problems facing the local business community, issuing detailed statistics on Halifax commerce, despatching delegates to regional, national and imperial trade conferences, lobbying all three levels of government and playing host to such prominent visitors as Wilfred Laurier. In addition, Board of Trade meeting rooms were enlarged and provision was made for telegraph receipt of commodity and stock prices from major North American business centres. Veteran merchants observed that this display of vigour "reminded them of the palmy days of the Chamber of Commerce."<sup>26</sup> Troop's initiatives boosted attendance at the annual meetings, brought the Board extensive press coverage, reversed the trend toward declining membership and convinced bankers, along with other business notables, to identify with the Board of Trade. Success in making the Board "respectable" had certain counter-productive tendencies, however. One contemporary observer, a friend of the Board, admitted in 1898 that young businessmen frequently equated the Board with the old Chamber, describing it as an organization dominated by "the older members of the business community." Moreover, these critics were noted as complaining that, "beyond talking a good deal and sending delegations to different places at the city's expense, the Halifax Board of Trade is absolutely useless."<sup>27</sup> Alienation among lesser entrepreneurs prevented the Board from achieving the mass membership essential if it were to acquire the income and influence necessary to deal effectively with the challenge of change.

In the 1890s, Board of Trade policy displayed a pattern of innovation overshadowed by traditionalism. One change involved an increasing insistence on the need for



municipal tax reform, allied with measures to reduce the burden of municipal debt, while simultaneously urging improvement of local fire fighting facilities. Significantly, however, the changes sought by the Board would primarily have worked to the advantage of the wholesale elite within the Halifax business community.<sup>28</sup> Furthermore, the Board never moved beyond specific grievances to speak in terms of a need for comprehensive reorganization of the city administration. The Board's limited capacity for innovation was also indicated by its failure to sustain the initiative of 1889 with respect to civic promotion through a carnival or similar activity. The most the executive would do was provide rhetorical support for a city-sponsored agricultural exhibition.<sup>29</sup>

In certain areas the Board's perspective shifted after 1890 but in a manner which was more negative than positive. For example, out of apparent despair for the prospects for industrializing Halifax, the Board made no effort to attract manufacturers to the city. During the 1890s the controversial issue of "bonusing" as a device to secure capital investment was never mentioned in the organization's annual reports. Similarly, the Board retreated from the Chamber's earlier preoccupation with the fisheries and West Indian trade. This change probably reflected the stagnation in both these commercial enterprises, caused largely by the diversion of Caribbean trade to United States ports following the introduction of steamers.<sup>30</sup> The Board did denounce federal policy which discriminated against the entry of low-grade Caribbean sugar and despatched a protest delegation to Ottawa in 1897 to seek remedial action from the new Liberal government.<sup>31</sup> The matter was not pressed with great determination, however, since the Board apparently saw the West Indies trade as being incapable of large-scale growth.

The core of the Board's development policy after 1890 came to be the establishment of Halifax as a truly national port, preeminent in servicing the flow of goods in and out of the Canadian interior. This was hardly a new objective, but in the 1890s it acquired an importance it had never before possessed, largely because of the lack of alternative stimuli to growth. Prompted by a growing sense of desperation, the Board argued that both Confederation and the National Policy had established a moral obligation for the use of Maritime ports in preference to those in the United States. Recognition by Upper Canada of this obligation, it was suggested, would assure Halifax's future. In a typical comment on the benefits of port activity, the Board declared in 1896, "We as business men know that if these promises had been performed... our city would take its place amongst the prosperous and important ones of this continent."<sup>32</sup> Decline would persist, the Board reasoned, so long as the federal government continued to submit to central Canadian insistence on unfettered access to rival ports such as Portland, Maine. This capitulation to vested interests was deemed "outrageous" by spokesmen for the Halifax business community, particularly in light of Ottawa's decision to ignore economics when insisting that the C.P.R. be built north of the Great Lakes. The precedent, it was suggested, gave Maritimers every right to be made beneficiaries of a national transportation policy.<sup>33</sup>

The quest to give Halifax the substance of national port status dominated Board of Trade policy discussions throughout the 1890s. Considerable emphasis was placed on the need for improved terminal facilities. The existing I.C.R. dock, warehouse and shunting



yard complex remained dilapidated, cramped and some two miles distant from the city's business core. The Board repeatedly urged modernization of these facilities. That advocacy bore the flaw of eclecticism, however, since the Board focused on individual projects, such as a new grain terminal, and did not look to the need for comprehensive harbour redevelopment. Caution in this regard stemmed from fear of policies which might involve increased municipal taxation. As well, many prominent wholesalers were opposed to innovations that could subject them to expropriation procedures.<sup>34</sup> Perceptions were further obscured by assumptions that facility improvements were not the most crucial factor to the realization of Halifax's port aspirations. Through the 1890s the Board of Trade pursued a host of suggestions designed to encourage increased traffic. These included double-tracking of the I.C.R. mainline to Moncton, extension of the I.C.R. into Montreal, introduction of a "fast-line" of trans-Atlantic steamers linking Halifax with Liverpool, and insistence that mail subsidies be granted only to steamers using Canadian Atlantic ports.<sup>35</sup> Unfortunately, this proliferation of ideas was never converted into a clear set of priorities by the Halifax Board of Trade.

The most contentious of the various remedial measures considered by the Board involved sale of the I.C.R. to the C.P.R. Anti-I.C.R. sentiment within the Halifax business community drew strength from the belief that their Maritime rival, Saint John, enjoyed a strategic advantage, thanks to having access to two supposedly competing railway lines leading into the interior.<sup>36</sup> These suspicions came to a head at the 1897 annual meeting of the Board of Trade. Recent changes in the regional freight rate structure had made it cheaper for central Canadian shippers to export flour through Saint John rather than Halifax. Arguing the intolerability of this situation, several Board members insisted that the answer lay in transferring the I.C.R. to the C.P.R., on condition that the latter railway guarantee Halifax freight rate parity with Saint John and Portland. The scheme was described as having the advantage of encouraging private investment in the city and being the most likely to produce major rehabilitation of the waterfront. As well, it was suggested that the C.P.R. might switch all its steamer operations to Halifax from Saint John, a harbour which Haligonians delighted in describing as a "mud hole."<sup>37</sup> Most of those at the meeting remained sceptical about the allure of the C.P.R., however. One person declared:

the C.P.R. was after the almighty dollar and the only real road that could carry goods from the West at as low a rate as to Saint John is the I.C.R., as it is a government road and does not necessarily have to pay expenses. If we lose the I.C.R. Halifax will become a back woods village.

Another Board member commented that "The C.P.R. would not take the I.C.R. as a gift on such terms."<sup>38</sup>

In the end, the matter was left for consideration by the executive. Board leaders agreed that something had to be done to improve I.C.R. services but were reluctant to commit themselves totally to private enterprise. As a compromise, it was agreed to seek running rights over the I.C.R. on behalf of the C.P.R.<sup>39</sup> At the same time, vigorous efforts were made to extract concessions from the federal authorities on the freight rate



question. In 1899, an optimistic executive reported that, under the terms of the recently signed agreement giving the I.C.R. direct access to Montreal, Halifax had achieved freight rate parity with competing North Atlantic ports. Board members were also assured that Ottawa had agreed to finance a major rehabilitation of Halifax's terminal facilities.<sup>40</sup> This triumph had a hollow dimension, however. The I.C.R. persisted with a supposedly "temporary" experiment, whereby eastbound goods exported via Halifax paid one cent per hundred pounds surcharge over the rates levied on goods exported through Saint John.<sup>41</sup> Moreover, the federal government continued its haphazard and partial approach to the question of port improvement. As a result, the 1890s drew to a close with the Halifax Board of Trade having made no major progress with respect to the key component of its development programme. That failure was all too symptomatic of the Board's record through its first decade of existence.

The stagnation of the 1890s did not persist into the twentieth century. By 1900 Halifax was being drawn, albeit belatedly, into the "Laurier boom." Port traffic picked up, wholesale trade revived, bank clearances increased in volume, and bankruptcies virtually ceased.<sup>42</sup> The recovery spawned resurgent self-confidence within the local business community. Board of Trade spokesmen boasted that continuation of existing trends, which they assumed would occur, was "destined to attract a large population and ... make her (Nova Scotia) ... the most important province in the Dominion."<sup>43</sup> Optimism persisted through the next decade and a half, but as time went on the mood of the Halifax business community came increasingly to be tinged with frustration. While the Nova Scotian capital had escaped from the doldrums of the 1890s, it never managed to become fully part of the mainstream of national development. Except for Saint John and Quebec City, Halifax experienced a slower population growth rate than any other Canadian urban centre. This pattern was substantially duplicated in terms of commercial and industrial activity.<sup>44</sup> The persistence and accentuation of economic disparity constituted the major challenge facing the Halifax Board of Trade early in the twentieth century. The organization would have to seek means whereby recovery could be sustained and accelerated, so as at least to resist the threat of Halifax succumbing to the pressures of underdevelopment.

Membership recruitment provides one test of the manner in which the Board responded to twentieth century circumstances. In the 1890s innovation in this area had been minimal but after 1900 change became more pronounced. For example, of the nineteen men named to the office of Board president or vice-president, none had served on the executive of the Chamber of Commerce. Moreover, while wholesalers and brokers retained an absolute ascendancy within the organization's inner executive, their presence fell from 96.7% to 68.4% of the total. As well, the average age of these office holders declined from 52 to 46.6 years and their average tenure in office slipped from 2.6 to 2.4 years. Examination of the Board's general executive council reveals a parallel decline in the presence of wholesaler/brokers from 66.7% to 52.4% of the total. Retailers failed to strengthen their position within the council but gains were made by craftsmen/manufacturers, professionals and managers. The average tenure for council members



declined from 3.8 to 3.3 years. Dun credit ratings confirm that a broadening out process was taking place. In 1912 the average valuation for members of the total Board executive stood at \$88,464, a figure 35.3% below the same rating for 1892.<sup>45</sup> The impression gained from analysis of the executive is sustained when one turns to the general membership of the Board of Trade. Enrolment went from 219 in 1899 to 657 in 1914-15. That growth was accompanied by a redistribution of occupational representation. In 1901 wholesaler/brokers accounted for 47.6% of the Board rank and file but by 1914 they had declined to 30.8% of the total. All other occupational categories, except for craftsmen/manufacturers, made gains, with the largest increase occurring among the professionals.<sup>46</sup>

Expansion and diversification of Board of Trade membership was kept within significant limits through the pre-war years, however. For one thing, while total enrolment grew by 200% between 1901 and 1914, major sections of Halifax's business community remained acutely under-represented, even when the Board was at its largest. This is particularly true for those in the retail trades. For example, of the fifty-one retail dry goods dealers listed in the 1914 city directory, only four belonged to the Board of Trade. Among professionals under-representation was also substantial. In 1914 Halifax had seventy-seven doctors and ninety-eight separate legal, accounting and architectural firms but only a total of forty-eight members of those occupations belonged to the Board. Even among occupations traditionally associated with the Board, recruitment remained far from complete. For example, only 69% of the city's commission merchants held Board membership. Thus even at its peak, the Board could claim the allegiance of probably less than half Halifax's total contingent of entrepreneurs.<sup>47</sup> Lack of mass membership could only be a liability in an organization with minimal income, other than that derived from membership fees.

The Board's problems with respect to rank and file recruitment were combined with an inability to obtain the solid support of the key decision-makers within Halifax's power structure. This included support from the city's entrepreneurial elite. Of the nineteen men serving as Board president or vice-president between 1900 and 1914, nine held no directorships in either local or national business corporations. Again, of the 162 directorships held by Halifax residents in the period 1909-1914, only 24.1% went to members of the Board of Trade executive council.<sup>48</sup> Business notables usually would go so far as to join the Board but their commitment to the organization rarely went to the point of accepting executive office. Their opting-out meant that the Board acquired the reputation but little of the compensating substance of elitism.

A parallel situation prevailed in terms of Board involvement with the political process. Of the nine M.P.s representing Halifax in the Commons between 1890 and 1914, all but two held membership in the Board of Trade. Only two of those seven, however, ever accepted executive office in the organization. Similarly, of the eleven M.L.A.s representing Halifax in the Assembly between 1890 and 1914, eight joined the Board but only four ever served as executive officers. Most significant of all, perhaps, was the failure of Halifax's two leading political figures, W.S. Fielding and Robert Borden, even to join



the Board of Trade. Lack of a strong Board presence was particularly glaring at the municipal level of government. Halifax had nine mayors in the period from 1890 to 1914, but only four of them were Board members, and of those four but two served on the Board executive. A survey of the aldermanic board for the years 1894, 1901 and 1909 reveals that of fifty-four incumbents, only eighteen belonged at that time to the Board of Trade. Of those eighteen, seven were serving on the Board executive. This under-representation within the local political establishment necessarily worked against the Board in its continual struggle to extract concessions from the various levels of government.<sup>49</sup>

It should be noted that the Board of Trade did not remain indifferent to the problems of inadequate recruitment. A major drive to attract new members was launched in 1904-5. Funds were raised to allow the pensioning off of C.M. Creed, who had served as Chamber/Board secretary for some thirty-two years. Along with the appointment of a new secretariat, the Board acquired more spacious meeting room facilities. At the same time, satellite business organizations such as the Tourist Association and the Retail Merchants' Association were merged with the Board of Trade.<sup>50</sup> In a further effort to refurbish its image, the Board amended its by-laws to allow the executive to co-opt seven additional members to the council, the selection to be made so as to ensure executive representation for all major interests in the Halifax business community. Simultaneously, the Board embarked on a campaign to publicize its work while also boosting the city as a commercial, industrial and tourist centre.<sup>51</sup>

The flurry of activity attracted favourable press commentary and helped to expand the Board's membership to 486 by the end of 1905. This remained considerably short of the intended one thousand, however, and subsequent years failed to bring dramatic improvement. Between 1908 and 1912, membership hovered in the five hundred to six hundred range and it was only in 1914-1915 that the total went over 650.<sup>52</sup> Deprived of rapidly expanding membership fees, the Board soon found itself running a deficit. As early as 1907, the secretary was appealing for an increase in annual dues to avert financial calamity. Seven years passed before the Board hesitantly agreed to ask for, but not insist upon, a doubling of the membership fees to \$10. Meanwhile, efforts were made to extract a subsidy from the city to help pay for the Board's promotional efforts.<sup>53</sup>

Persistent problems with respect to recruitment extended to the executive level of the Board of Trade. Two years after the expansionist drive of 1904-05, complaints were being made to the effect that the organization was being run by an old guard which lacked sufficient energy and interest to provide effective leadership.<sup>54</sup> In an effort to correct the alleged deficiency, a new by-law was adopted providing that council members could serve no more than three consecutive years.<sup>55</sup> Unrest persisted, however, with matters coming to a head at the 1909 annual meeting. G.S. Campbell, a fifty-eight year old broker/banker with eleven years service on the executive, including two previous terms as president, was chosen the Board's chief executive officer. He defeated J.A. "Jake" Johnson, the forty year old manager of the Mutual Life Insurance Company of New York, who had no previous experience on the Board executive. A major confrontation between traditionalism and innovation was averted, however, when



Campbell declined to serve and endorsed Johnson as president. The latter's acceptance speech, in making reference to Johnson's rural Nova Scotia origins, contained a revealing insight into attitudes within the city's business elite. It was time, the new Board president observed, to "welcome newcomers" and "Knock the idea in the head that a man is no good unless he is born in Halifax."<sup>56</sup> Johnson, whose energy earned him the label "a Captain-General of progress," served two very successful years as Board president before leaving Nova Scotia for Calgary.<sup>57</sup> Following his departure, complaints about poor executive leadership resurfaced. At the annual meeting of 1911, applause erupted when one outspoken individual announced that the Board was "in a rut." The critic went on to say that "it was time that all the old fossils should be banished from the council."<sup>58</sup> Additional grievances involved abandonment of open monthly meetings of council in favour of executive sessions closed to both the press and the general membership. In this way "free discussion of important matters" had been inhibited.<sup>59</sup> Responding to the outburst, the Board named seven new faces to council in 1912 and one of these men, F.B. McCurdy, went on to become president.<sup>60</sup> Such belated gestures, however, could not eradicate over a decade of flawed performance with respect to personnel recruitment.

The activities of the Halifax Board of Trade early in the twentieth century largely paralleled those of the 1890s. Small membership and a related scarcity of funds seriously inhibited innovation. The Board did press ahead, however, with promotional brochures. Indeed, advertising became the largest item in the annual budget.<sup>61</sup> Creed's two successors as Board secretary, A.T. Weldon and E.A. Saunders, were diligent in gathering commercial statistics and publicizing Board activities.<sup>62</sup> The organization demonstrated its interest in the interior by pressing for establishment of a federation of the province's various boards of trade, as well as by organizing a special "merchants' excursion" on the new railway linking Halifax with Liverpool.<sup>63</sup> The Board also became involved with the spreading "social gospel" movement, claiming to have helped found the Civic Improvement League and providing its facilities for the 1911 Halifax "uplift" campaign, in which the citizenry were lectured on such topics as public housing, labour relations, the status of women and child welfare legislation. In addition, the Board lent its good offices as negotiator between capital and labour during a series of strikes in 1907-08.<sup>64</sup> The bulk of these initiatives were hesitant or led nowhere, however. For example, the city was continually dunned to assume the cost of civic promotion; the projected Nova Scotia Board of Trade never became a reality; only one railway excursion into the province occurred; enthusiasm for social reform remained stifled by a narrow concern over cost; and, after initial failure as a labour negotiator, the Board withdrew from labour-management relations, except when it declared its opposition to maximum hours legislation.<sup>65</sup> The overall record was hardly one to inspire either great enthusiasm or opposition. Most citizens, it would appear, displayed a sense of indifference toward the Board. As one sympathetic observer admitted, the typical Haligonian tended to regard the Board "as an institution whose chief work is passing resolutions."<sup>66</sup>

The impression of irrelevance associated with the Board of Trade early in the twentieth century largely derived from the organization's inability to define and



implement development policies. The Board displayed an enthusiasm for economic growth but that enthusiasm was persistently compromised by a lack of strategic design as well as by a scarcity of tactical competence. These twin deficiencies were displayed both in the Board's campaign for commercial expansion and in its pursuit of industrial diversification.

The Board of Trade's pre-war programme for commercial development in Halifax echoed that of the 1890s. The fisheries and West Indies trade continued to be de-emphasized, while priority was given to building Halifax as a regional entrepôt and national port. The effort to "make Halifax a central distributing point for the province" focused on lobbying for additional branch line railways and coastal steamers. The major achievement in this regard involved government subsidization of a rail line from Halifax to Liverpool.<sup>67</sup> Neither railways nor steamers worked, however, to reverse a growing trend toward Halifax's decline as a wholesaling centre. As firm after firm went out of existence, the Board of Trade could offer no more useful advice than to denounce the encroachments of a new enemy, the department store.<sup>68</sup> A parallel lack of imagination involved the Board's narrow preoccupation with competition from Saint John to the virtual exclusion of concern over the threat to regional interests posed by central Canadian metropolitan centres. For example, the Board never saw fit to comment on the absorption of local banks by Montreal and Toronto based corporations.<sup>69</sup>

The campaign to make Halifax a national port continued unabated through the first decade of the century. As in the 1890s, agitation focused on demands for improved harbour facilities, freight rate parity with competing Atlantic ports, use of steamer subsidies to attract traffic and introduction of the C.P.R. into the Nova Scotian capital.<sup>70</sup> The Board pressed its case aggressively but with more indignation than ingenuity. This failing was demonstrated most overtly by the Board's hesitation to move beyond piece-meal reforms to an advocacy of comprehensive port redevelopment. For example, the Board never endorsed the idea, discussed at the time, of establishing a harbour commission with wide powers to regulate waterfront activity.<sup>71</sup> Again, the Board never initiated a thorough review of the harbour's potential in order to establish clear development priorities. Instead, the organization displayed a tendency to pursue panaceas, as when it revived consideration of transfer of the I.C.R. to the C.P.R.<sup>72</sup> It should be noted that the Board's attitude toward planning and scientific investigation appeared to be more one of oversight than opposition. Thus the organization welcomed the belated decision of the Laurier government, in 1910, to conduct a comprehensive engineering survey of Halifax in preparation for major expenditures on harbour improvements.<sup>73</sup> Unfortunately, it would be war-time before any significant work began on the project. Throughout, the Board seemed capable of little beyond responding to bureaucratic initiatives on this most crucial aspect of its overall development programme.

The Halifax Board of Trade did innovate, at least to the extent of committing itself after 1900 to the promotion of industrial growth. The despair of the 1890s with respect to Halifax's potential as a manufacturing centre was replaced early in the twentieth century by a growing conviction that the Nova Scotian capital could be made part of the Canadian industrial revolution. Enthusiasm for economic diversification initially focused



on prospects for establishing a shipyard for construction of steel vessels. Before long, however, local boosters were portraying Halifax as an ideal home for a multiplicity of secondary manufacturing ventures. Reflecting the optimism bred by economic recovery, president G.S. Campbell declared in 1906 that, "It was the duty of the Board to do everything in its power to facilitate and found industrial works in Halifax."<sup>74</sup> The Board did more than offer rhetorical support for industrialization. Its executive played an active role in the recruitment of investment capital both from without and within the city.<sup>75</sup> The Board's efforts focused, however, on trying to convince the Halifax municipal authorities to assume the role of an industrial promotional agency.

Municipal involvement in the pursuit of industrialization had come to mean the grant of "bonuses" to manufacturing firms in the form of tax and related concessions. Halifax had experimented with the device during the campaign to secure construction of both the I.C.R. and a local dry dock.<sup>76</sup> The suggestion that these precedents should be repeated, in order to obtain a steel shipyard, provoked heated debate at the 1901 general meeting of the Board of Trade. Several speakers denounced bonusing, saying the device discriminated against established business interests while having little impact in determining industrial location. The majority took the position, however, that the city must spare no effort to secure a project which, it was said, would make Halifax "a veritable Pittsburg."<sup>77</sup> The Board never abandoned its support for bonusing, but as time went on the organization became increasingly suspicious of city council's ability to implement the policy. For example, one critic declared in 1909 that the aldermen had become an "easy mark" for developers. "Fifteen out of the eighteen would vote for anything in the way of a new industry. They would favour...the manufacture of airships."<sup>78</sup> Excess generosity, made all the more provocative by minimal success in attracting industry, prompted Board protest. As a remedial measure, the organization demanded the right to be consulted on all bonusing proposals and also issued a set of guidelines which, it said, the city should adhere to when considering industrial subsidization. In addition, it was suggested that the electorate should send better qualified men to city council.<sup>79</sup> Eventually, the Board proceeded to the more radical position of calling for a thorough revamping of Halifax's municipal administration. Allying itself with an emerging group of city "progressives," the Board rallied public opinion and in 1913 secured introduction of a Board of Control system of local government. As far as the organized business community was concerned, the prime advantages of the change would be reorganization of civic assessments and inauguration of a more efficient campaign for industrial promotion.<sup>80</sup>

While relatively energetic and innovative, the Board of Trade's pursuit of industrial development produced few results. The shipyards remained still a dream in 1914 and, as for secondary manufacturing, the only accomplishment had been to lure the Silliker rail car works from Amherst. Halifax had failed to join the Canadian industrial revolution, except in a very marginal sense.<sup>81</sup> The non-realization of their expectations was something the city's business leadership appeared at a loss to explain. Certain members of the Board had the daring to suggest that the fault lay with Halifax's bankers, who



allegedly were hostile to investment in local manufacturing. The Board executive remained too deferential, however, to endorse such criticism.<sup>82</sup> The Board proved itself inept in other ways as well. For example, except for the shipyards, no effort was made to conduct an "expert" and objective survey of Halifax's manufacturing potential. Again, while complaining about the high cost of electricity and seeing it as an obstacle to industrialization, the Board never took a stand on the increasingly debated issue of municipal expropriation of the local utility company.<sup>83</sup> In essence, it was a case of the Board retreating from a diagnosis of the roots of underdevelopment while clinging to bonusing and hoping that civic reorganization would make the policy workable. Thus industrial promotion became one more area where the Board of Trade offered guidance inadequate to the occasion.

To summarize the record of the Halifax Board of Trade between 1890 and 1914, it appears that the organization was largely overwhelmed by the changes associated with regional integration into a national economy. Halifax businessmen demonstrated sufficient awareness of the changes taking place to seek replacement of the veteran Chamber of Commerce by a more dynamic and broadly-based entity. Reorganization embraced an effort to alter both recruitment procedures and overall development policy. The attempt, however, remained persistently compromised by the traditionalism, elitism, penuriousness and factionalism of the Halifax business community. Such obstacles, the origins of which are beyond the scope of this paper, meant that the Board never represented more than a fragment of Halifax business. Difficulties with respect to personnel recruitment were directly linked to deficiencies in the realm of policy articulation and implementation. Without mass membership or at least a membership willing to pay substantially higher annual dues, the organization remained chronically starved for funds, a situation which could only inhibit self-assertion. Again, a bias at the executive level toward selection of veteran but frequently second level businessmen inhibited an imaginative approach to current problems. Preoccupied with its own survival and constricted by deference, the Board manoeuvred for some twenty-four years, as much to maintain inner consensus as to cope with economic problems. This is not to imply that the Board of Trade was responsible for Halifax's underdevelopment. That phenomenon derived essentially from factors external to the city's business elite. Nevertheless, it does appear that the character of Halifax business, as reflected in the Board of Trade, did contribute to the community's dilemma.

## NOTES

1. H.A. Innis, "An Introduction to the Economic History of the Maritimes, including Newfoundland and New England," *C.H.A. Report* (1931), 85-96; L.D. McCann, "Staples, Urban Growth, and the Heartland-Hinterland Paradigm: Halifax as an Imperial Outpost, 1867-1914," paper presented to the Canadian Urban History Conference, University of Guelph, 14 May 1977; David Alexander, "Newfoundland's Traditional Economy and Development to 1934," *Acadiensis*, V, no. 2 (Spring 1976), 56-78; T.W. Acheson, "The National Policy and the Industrialization of the Maritimes," *Acadiensis*, I, no.2 (Spring 1972), 3-28; E.R. Forbes, "Misguided Symmetry: The Destruction of Regional Transportation Policy for the Maritimes," in D.J. Bercuson (ed.), *Canada and the Burden of*



- Unity* (Toronto, 1977), 60-86; David Frank, "The Cape Breton Coal Industry and the Rise and Fall of the British Empire Steel Corporation," *Acadiensis*, VII, no.1 (Autumn 1977), 3-34.
2. Roy E. George, *A Leader and a Laggard: Manufacturing Industry in Nova Scotia, Quebec and Ontario* (Toronto, 1970).
  3. Comparative Canadian studies on this topic include: Douglas McCalla, "The Commercial Policies of the Toronto Board of Trade, 1850-1860," *C.H.R.*, L (1969), 51-67; Fernand Ouellet, *Histoire de la Chambre de Commerce de Quebec, 1809-1959*, publication du centre de recherche de la faculté de commerce de l'université Laval, série: Histoire économique, no. 1 (Quebec City, 1959); G.H. Stanford, *To Serve the Community: The Story of Toronto's Board of Trade* (Toronto, 1974); E.A. Collard, *The Montreal Board of Trade, 1822-1972* (Montreal, 1972).
  4. T.W. Acheson, "The Maritimes and 'Empire Canada,'" in Bercuson (ed.), 87-114.
  5. Canada, *Sessional Papers*, "Tables of Trade and Navigation, Canada," 1876-1891. The total value of imports and exports moving through Halifax declined from \$12.2 million in 1875 to \$12.0 million in 1890, a fall of 1.8%. The total value of Nova Scotian trade with the British and Spanish West Indies went from \$3.4 million in 1880 to \$3.6 million in 1890, an increase of but 3.8%.
  6. A detailed review of commercial decline in Halifax is provided in a speech by Senator L.G. Power to the local Young Men's Literary Association, *Citizen and Evening Chronicle*, 23 Nov. 1883. Between 1871 and 1891, Halifax's population grew from 29,582 to 38,437, Canada, *Census*. The city's decadal growth rate declined from 22% in the 1870s to 6.5% in the 1880s. For the assessment crisis, see Halifax, *Annual Report*, 1884-85.
  7. A Chamber of Commerce had enjoyed an erratic existence in Halifax between 1804 and 1843. For the revival of 1865, see *Sun and Advertiser*, 10-17 May 1865. Between 1865 and 1880, 84% of the Chamber's executive were either wholesale merchants or shipbrokers.
  8. Occupational identification, as well as membership in the Chamber executive, has been established by consulting *McAlpine's Halifax City Directory* (Halifax, 1869--), and *Belcher's Farmer's Almanack* (Halifax, 1824--). In 1884 John Doull was 60 years old.
  9. "A Citizen," *Citizen and Evening Chronicle*, 13 Feb. 1883. See also, "Citizen n. 2," *ibid.*, 17 Feb. 1883 and the comments of Edward Farrell to the Young Men's Literary Association, *ibid.*, 23 Nov. 1883.
  10. Reorganization efforts are noted in *Morning Herald*, 31 Jan. 1884; *Morning Chronicle*, 31 Jan. 1884. For an occupational breakdown of Chamber membership as of 1886, see Appendix I.
  11. The exception was an earlier critic of the Chamber, Edward Farrell, physician and formerly cabinet minister in a provincial Liberal administration, 1877-78.
  12. Public Archives of Nova Scotia (PANS), microfilm, Chamber of Commerce, *Annual Report*, 1872-73, 1876, 1878-89. See also the discussion of Halifax as a national winter port in Dominion Board of Trade, *Proceedings*, 1879, 66-73. (Dr. G.S. Kealey kindly called my attention to this latter material.)
  13. *Acadian Recorder*, 4 March 1886; *Morning Herald*, 4 March 1886; *Morning Chronicle*, 4 March 1886; Chamber, *Annual Report*, 1886.
  14. *Acadian Recorder*, 16 Feb. 1889. For additional material on the Chamber of Commerce through the late 1880s, see *Morning Herald*, 12 March 1887; *Morning Chronicle*, 10 March 1887; *Acadian Recorder*, 8 March 1888; *Morning Herald*, 8 March 1888; *Morning Chronicle*, 8 March 1888; *Acadian Recorder*, 9 Feb. 1889.
  15. *Morning Chronicle*, 16-18 Feb., 2 March 1889; *Morning Herald*, 16 Feb. 1889.
  16. *Morning Herald*, 9 March 1889.
  17. For a comparative analysis of the leadership of the Chamber and the Board in 1889, see Appendix II.
  18. *Morning Chronicle*, 16 Feb. 1889.



19. *Morning Herald*, 16 Feb., 9 March 1889.
20. *Daily Echo*, 21-22, 29 Jan., 6 March 1890. The Board of Trade's summer carnival is described in *Halifax Carnival Echo*, 5-10 Aug. 1889.
21. *Daily Echo*, 29 Oct., 12 Nov. 1890.
22. *Rules and By-laws of the Board of Trade* (Halifax, 1894; as revised in 1905). The city directory for 1894-95 lists Board of Trade standing committees on: banking, dry goods, hardware and ship chandlery, wholesale grocery, manufacturers, West India trade, fisheries and inspection, pilotage and harbour regulation, railways and transportation, drugs and chemicals. A Board of Arbitration also existed. Of the 81 positions on these various committees, 22 were held by members of the executive council.
23. A profile of the Board executive through the 1890s is given in Appendix III. An occupational analysis of the general membership, as of 1894, is given in Appendix IV.
24. The prevailing mood was expressed by the *Maritime Grocer and Commercial Review*, 12 Jan. 1893, which declared that both Halifax and Saint John presented a scene of "Ships rotting in their docks, wharves tottering to decay, goats feeding in their very streets, and all the dream of confederation a bitter disappointment." Details of the commercial recession in Halifax are found in committee reports of the Board of Trade, *Evening Mail*, 17 Jan. 1894.
25. Indications of Board inertia are given in *Acadian Recorder*, 11 March 1891; *Daily Echo*, 20 Jan. 1892; *Daily Echo*, 18 Jan. 1893.
26. *Evening Mail*, 17 Jan. 1894; *ibid.*, 16 Jan. 1895; *Daily Echo*, 16 Jan., 13 Aug. 1895; Board, *Annual Report*, 1894-95. Stock market reports were discontinued in 1899, Board, *Annual Report*, 1899.
27. *Maritime Merchant*, 6 Jan. 1898.
28. On Board involvement with tax reform, see *Discussion by the Halifax Board of Trade on the Tax Reform Proposed by the Halifax Tax Reform Association* (Halifax, 1892). Wholesaler dissatisfaction focused on the practise of taxing inventories of stock. The remedy proposed was a business licence fee rather than an income tax.
29. Board, *Annual Report*, 1894-95, 1898-99.
30. *Ibid.* Reports of Board standing committees detail the problems of the fisheries and West Indies trade. For these, see *Evening Mail*, 17 Jan. 1894; *Daily Echo*, 16 Jan. 1895; *Daily Echo*, 20 Jan. 1897; *Evening Mail*, 19 Jan. 1898.
31. Board, *Annual Report*, 1898-99; *Evening Mail*, 19 Jan. 1898; *Daily Echo*, 18 Jan. 1899; *Evening Mail*, 17 Jan. 1900.
32. *Daily Echo*, 22 Jan. 1896.
33. *Evening Mail*, 17 Jan. 1894; Board, *Annual Report*, 1894.
34. *Morning Chronicle*, 7 March 1889; *Daily Echo*, 22 Jan. 1896; Board efforts to obtain harbour improvements are discussed in Canada, Parliament, House of Commons, *Debates*, speeches by John Thompson, 13 Aug. 1891; F.G. Forbes, T.E. Kenny, 12 May 1892.
35. Board, *Annual Report*, 1894-95; *Daily Echo*, 22 Jan. 1896; *Daily Echo*, 20 Jan. 1897.
36. Criticism of the I.C.R. is found in Canada, Parliament, House of Commons, *Debates*, speeches by A.G. Jones, 17 March 1890; D.C. Fraser and J.F. Stairs, 13 May 1891; T.E. Kenny, 12 May 1892; T.E. Kenny, 27 March 1893. For the coming of the C.P.R. to Saint John, see *Daily Echo*, 20 Jan. 1897, and Elizabeth McGahan, "The Port of Saint John, N.B., 1867-1911," *Urban History Review*, III (1976), 3-13.
37. The "mud hole" comment was made by H.L. Chipman, *Daily Echo*, 20 Jan. 1897; for earlier quarrels with Saint John, see *Ibid.*, 18 Jan. 1893.
38. *Ibid.*, speeches by M.F. Eager and L.G. Power.



39. *Daily Echo*, 27 Jan. 1897; *Evening Mail*, 19 Jan. 1898.
40. *Daily Echo*, 18 Jan. 1899.
41. *Ibid.*, 21 Oct. 1910; see also an undated memorandum in Laurier papers, PANS, mfm., reel C1173, v.266, p. 218269, in which the 1898 agreement between the I.C.R. and the G.T.R. is outlined.
42. The economic turn around is described in *Evening Mail*, 17 Jan. 1900; *Daily Echo*, 16 Jan. 1901; *Daily Echo*, 22 Jan. 1902; *Evening Mail*, 21 Jan. 1903; *Evening Mail*, 29 Jan. 1904. Freight entries and clearances at Halifax went from 447,738 tons in 1895 to 510,893 tons in 1900 and to 565,287 tons in 1905, Canada, *Sessional Papers*, "Tables of Trade and Navigation," 1896-1906. Bank clearances rose from \$61.9 million in 1898 to \$93.4 million in 1903, Board, *Annual Report*, 1908.
43. Board of Trade Presidential Address, *Evening Mail*, 17 Jan. 1900.
44. Halifax's population rose from 38,437 in 1891 to 40,832 in 1901, an increase of 6.2% in the decade. In the succeeding decade the population grew by 14.2% to a total of 46,619. In the same two decades, growth rates in Montreal and Toronto averaged 9.6% and 78.4%. The value of manufacturing product in Halifax grew from \$7.2 million in 1890 to \$12.1 million in 1910, an increase of 69%. The combined growth rate for Montreal and Toronto with respect to manufacturing product was 194.5%, Canada, *Census*, 1911. Between 1900 and 1910 total port traffic at Halifax increased by 37.2% while that at Montreal went up 39.9%, Canada, *Sessional Papers*, "Tables of Trade and Navigation," 1901-1911.
45. A profile of the Board executive for the period 1900-1914 is given in Appendix V.
46. An occupational analysis of the Board's general membership as of 1901 and 1914-15 is given in Appendices VI and VII.
47. *McAlpine's City Directory*, 1914. Double entries and the presence of silent partners make calculation difficult but it appears that, even excluding the mass of retail grocers, total membership in the various occupational categories found among the Board rank and file numbered some 1500 individuals in 1914.
48. The list of directors has been compiled from *McAlpine's City Directory*, 1900-1914; *Belcher's Farmer's Almanack*, 1900-1914; *The Annual Financial Review* (Toronto, 1914); and I.J. Isaacs. *The City of Halifax, the Capital of Nova Scotia* (Halifax, 1909). A list of major Halifax entrepreneurs who never served on the Board executive is given in Appendix VIII.
49. The enumeration of politicians has been obtained from: J.K. Johnson (ed.), *The Canadian Directory of Parliament, 1867-1967* (Ottawa, 1968); C.B. Fergusson, *A Directory of the Members of the Legislative Assembly of Nova Scotia, 1758-1958* (Halifax, 1958); *McAlpine's City Directory*, 1890-1914.
50. *Evening Mail*, 25 Jan. 1905; Board, *Annual Report*, 1905.
51. *Rules...Board of Trade*. The Board began publishing a newsletter but the venture never went beyond a single issue: *Bulletin*, I, no.1 (March 1904).
52. Board, *Annual Report*, 1900-05, 1907-14/15.
53. *Evening Mail* 22 Jan, 1907; *Daily Echo*, 21 Oct. 1910; *Daily Echo*, Jan. 1914; Board, *Annual Report*, 1910, 1913, 1914. It was noted that the Saint John Board of Trade charged dues of \$25 and had an annual budget of \$18,000. The Halifax Board operated on between \$4,000 and \$5,000 through the first decade of the century, PANS, mfm., Board of Trade Minutes, 4 Dec. 1913.
54. *Herald*, 23 Oct. 1907; *Daily Echo*, 22 Jan. 1908.
55. PANS, mfm., Board of Trade Minutes, 22 Oct. 1907.
56. *Evening Mail*, 22 Jan. 1909. Johnson's charge was not literally true since at least 13 of the 19 chief executive officers of the Board between 1900 and 1914 were born outside Halifax. Most, however, had been long-term residents of the city. Campbell, for example, though Scottish born, had lived in Halifax since the late 1860s. Johnson, in contrast, had been in the capital only since 1893.
57. *Daily Echo*, 21 Oct. 1910.



58. *Ibid.*, 18 Jan. 1911. The critic was Alexander Stephen, president of the Nova Scotia Furnishing Co. He had served on the council for seven years (1894-99, 1905).
59. *Evening Mail*, 18 Jan. 1911; PANS, mfm., Board of Trade Minutes, 17 Jan. 1911.
60. McCurdy, a stock-broker, born in Old Barns, Nova Scotia in 1875, became the second youngest man to serve as Board president when elected in 1913.
61. The Board received a \$500 publications subsidy from the city in 1912, Board, *Annual Report*, 1912. Brochures issued by the organization included: *Fishing All Summer in Lake, Stream and Sea* (1905); *Halifax: the City by the Sea* (ca.1911); *Interesting Facts and Figures, Halifax, Canada* (ca. 1913); *Halifax, Canada's Atlantic Winter Mail Port* (1914).
62. Board, *Annual Reports*. See also the year end business reviews inserted in the local press, for example, *Morning Chronicle*, 1 Jan. 1908; *Herald*, 31 Dec. 1909.
63. *Evening Mail*, 17 Jan. 1900, 22 Jan. 1907.
64. *Ibid.*, 22 Jan. 1907; *Daily Echo*, 5 March 1911; *Herald*, 23 Oct. 1907; *Daily Echo*, 22 Jan. 1908.
65. Board opposition to maximum hours legislation is noted in Board, *Annual Report*, 1910.
66. *Maritime Merchant*, 1 Feb. 1912. The Board's minor functions, from resisting temperance legislation to helping rescue Nova Scotia seamen from South American jails, are noted in *Evening Mail*, 17 Jan. 1906.
67. *Evening Mail*, 22 Jan. 1908. The Halifax and South Western Railway (nicknamed the "Hellish Slow and Wobbly") was complete by the end of 1906, *Ibid.*, 22 Jan. 1907. The Board favoured I.C.R. absorption of the province's branch line railways, *Herald*, 31 Dec. 1906.
68. The problems of Halifax wholesalers are noted in *Daily Echo*, 16 Jan. 1901; *Evening Mail*, 22 Jan. 1903; *Herald*, 31 Dec. 1905; *Evening Mail*, 17 Jan. 1906; *Morning Chronicle*, 24 Jan. 1912; *Maritime Merchant*, 14 Jan. 1904, 2 Feb. 1911. For a denunciation of the department store, see *Maritime Merchant*, 23 Jan. 1896.
69. Halifax's preoccupation with the threat of Saint John permeates Board minutes and annual reports. Halifax banks absorbed by Upper Canadian interests were: Halifax Banking Company (Bank of Commerce, 1903), People's Bank of Halifax (Bank of Montreal, 1905), Union Bank of Halifax (Royal Bank, 1910); *Monetary Times*, 3 Jan. 1919. (I am indebted to J. Nolan Reilly for this reference.)
70. See generally, Board, *Annual Report*, 1900-1905, 1907-1914. The Board carried its grievances to the nation by means of an open letter to other boards of trade across Canada, *Maritime Merchant*, 16 Jan. 1902.
71. See the comments of O.R. Regan, *Herald*, 31 Dec. 1908, and H.L. Chipman, *Evening Mail*, 18 Jan. 1911.
72. For renewed discussion of the C.P.R. issue, see *Evening Mail*, 20 Jan. 1909; *Morning Chronicle*, 20 Jan. 1909; PANS, mfm., Board of Trade Minutes, 19 Jan. 1909. The issue reached a form of resolution in 1911 when the C.P.R. took over the D.A.R., thereby entering Halifax via Digby and the Annapolis Valley, Marguerite Woodworth, *History of the Dominion Atlantic Railway* (Kentville, N.S., 1936). Board support for the take-over is noted in *Daily Echo*, 21 Oct. 1910.
73. *Daily Echo*, 21 Oct. 1910; Board, *Annual Report*, 1911. For details of the redevelopment scheme, as adapted by the new Conservative government, see F.W. Cowie, *Report to the Honourable Frank Cochrane...on Halifax Harbour and the Development of a Project of Modern Ocean Terminals* (Ottawa, 1913). While proceeding with harbour improvements, the Borden administration also began increasing freight rates on the I.C.R., Maritime Board of Trade, *Submission to the Royal Commission on Transportation* (Ottawa, 1949).
74. *Evening Mail*, 17 Jan. 1906. Board enthusiasm for steel shipbuilding is detailed in *Ibid.*, 17 Jan. 1900; *Daily Echo*, 16 Jan. 1901; *Daily Echo*, 22 Jan. 1902.
75. This was most evident in the case of the Silliker rail car works, *Daily Echo*, 13 Dec. 1906;



*Evening Mail*, 22 Jan. 1907; *Evening Mail*, 5 April 1907; *Evening Mail*, 22 Jan. 1908.

76. McCann, 35, notes that bonuses were also given in the 1880s to attract a cotton mill and a sugar refinery.

77. *Daily Echo*, 16 Jan. 1901.

78. Alderman F.P. Bligh, *Herald*, 17 March 1909.

79. *Evening Mail*, 22 Jan. 1907; PANS, mfm., Board of Trade Minutes, 16 March 1909; Board, *Report*, 1912. The Board recommended that new industries be offered free sites, complete exemption from municipal taxes for ten years, half exemption for a further twenty years, and reduced water rates. As well, all projects would have to be submitted to the ratepayers in a plebiscite.

80. PANS, mfm., Board of Trade Minutes, 21 March, 17 Oct. 1911; Board, *Annual Report*, 1910-11. A Board of Control, it was said, would allow civic affairs to be administered "in the same way as any progressive business," *Morning Chronicle*, 24 Jan. 1912.

81. Admission of the lack of progress with respect to industrialization, without abandoning the goal of industrialization, is made in Board, *Annual Report*, 1912; *Herald*, 31 Dec. 1913; *ibid.*, 31 Dec. 1914; *Morning Chronicle*, 20 Jan. 1915.

82. See the speech by J.W. Regan, *Evening Mail*, 22 Jan. 1907.

83. PANS, mfm., Board of Trade Minutes, 21 Jan. 1913; Board, *Annual Report*, 1913-14.



## APPENDIX I

### CHAMBER OF COMMERCE MEMBERSHIP, 1886

Occupation*	Number	%
Wholesaler	68	41.5
Broker	18	11.0
Retailer	24	13.6
Craftsman/Manufacturer	16	9.8
Manager	7	4.3
Professional	5	3.1
Manufacturers' Agent	3	1.8
Other	10	6.1
Unknown	13	7.9
Total	164	

\*Wholesalers: all categories, from commission merchant to specialists in tea, flour and dry goods, etc. Brokers: mostly in ships, stocks and insurance. Retailers: mostly in dry goods. Craftsmen/manufacturers: not so much industrialists as small-scale entrepreneurs producing chocolate, beer, jewellery, newspapers, etc. Managers: generally of banks and shipping firms. Professionals: lawyers and doctors. Manufacturers' Agents: includes commercial travellers. Other: mostly bank employees, civil servants, hoteliers, newspapermen, the retired.

## APPENDIX II

### COMPARATIVE PROFILE, CHAMBER OF COMMERCE AND BOARD OF TRADE, 1889

BOARD OF TRADE EXECUTIVE. (IN BRACKETS: CHAMBER OF COMMERCE EXECUTIVE)				
Occupation	Number	%	Dun credit ratings	
Wholesaler	11 (11)	26.2 (68.8)	B+1	1 (4)
Broker	1 (4)	2.4 (25.0)	B1	- (2)
Retailer	17 (1)	40.5 (6.3)	C+1	- (1)
Craftsman/Manufacturer	2	4.8	C1-½	2 (3)
Manager	3	7.1	D1-½	1 (4)
Professional	2	4.7	D2	1 (-)
Manufacturers' Agent	1	2.4	E2	5 (-)
Other	2	4.8	E2-½	1 (-)
Unknown	3	7.1	F2-½	- (-)
Total	42*(16)		F3	1 (2)
			G3-½	1 (-)
			H3-½	1 (-)
Average Age: 41/41 (58/59)			-3	1 (-)
Birthplace: Halifax: 4 of 13 known			Unknown	2 (-)
(10 of 14 known)			Overall \$65,000 (\$177,188)	

\*Includes 25 who were active in founding the Board of Trade.

Sources: *McAlpine's City Directory*, 1889; *Morning Herald*, 16 Feb. 1889; R.G. Dun and Co., *The Mercantile Reference Book*, 1886, 1892; PANS, biographical files.



# APPENDIX III

## BOARD OF TRADE EXECUTIVE, 1890-1899

A. EXECUTIVE COUNCIL		
Occupation	Number	%
Wholesaler	23	51.1
Broker	7	15.6
Retailer	5	11.1
Craftsman/Manufacturer	3	6.7
Manager	5	11.1
Professional	2	4.5
Manufacturers' Agent	-	
Other	-	
Unknown	-	
Total	45	
Former members of:		
Chamber of Commerce executive:	16 (35.6%)	
Board of Trade executive:	9 (20%)	

B. BOARD PRESIDENTS AND VICE-PRESIDENTS			
Name	Terms	Occupation	B/P & Date
1. W.A. Black	v.p. '95, '97, '98	shipbroker	Windsor, 1847
2. G.E. Boak	v.p. '91	w'sale fish mer.	Halifax, 1858
3. J.E. DeWolf	v.p. '98, '99	shipbroker	Wolfville, 1851
4. Michael Dwyer, Sr.	P. '95, v.p. '91-'94	w'sale grocer	St. John's, 1833
5. Ed. Farrell	v.p. '99	physician	Dartmouth, 1842
6. E.G. Kenny	v.p. '90, '92	w'sale dry goods	Halifax, 1859
7. Geo. Mitchell	P. '98-'99, v.p. '96-'97	comm. mer.	Halifax, 1846
8. Jas. Morrow	P. '96, v.p. '93-'94	comm. mer.	Halifax, 1855
9. A.M. Payne	v.p. '85-'96	manu. agent	London, 1839
10. Rbt. Pickford	P. '91-'92	shipbroker	Halifax, 1840
11. W.C. Silver	P. '90	w'sale dry goods	Halifax, 1814
12. G.J. Troop	P. '93-'94, '97	w'sale hardware	Ann. Co., 1827



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C. CORPORATE DIRECTORSHIPS HELD BY BOARD PRESIDENTS AND VICE-PRESIDENTS\*

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1. E.C.S.L.	5. NONE	9. NONE
2. H.G.L., A.F.I.	6. NONE	10. NONE
3. NONE	7. U.B., A.F.I., N.S.M.I.	11. E.C.S.L.
4. M.B.	8. NONE	12. P.B., O.M.M.I.

Key: A.F.I. (Acadian Fire Ins. Co.)  
 E.C.S.L. (Eastern Can. Savings & Loan)  
 H.G.L. (Halifax Gas Light Co.)  
 M.B. (Merchants' Bank)  
 N.S.M.I. (Nova Scotia Marine Ins. Co.)  
 O.M.M.I. (Ocean Mutual Marine Ins. Co.)  
 P.B. (People's Bank)  
 U.B. (Union Bank)

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\* For the names of the twelve presidents and vice-presidents see Appendix III B.

Sources: *McAlpine's Halifax City Directory*, 1890-99; *Belcher's Farmer's Almanack*, 1890-99; PANS, biographical files.

APPENDIX IV

BOARD OF TRADE MEMBERSHIP, 1894\*

Occupation	Number	%
Wholesaler	83	48.8
Broker	18	8.8
Retailer	21	12.4
Craftsman/Manufacturer	16	9.4
Manager	16	9.4
Professional	5	2.9
Manufacturers' Agent	3	1.8
Other	6	3.5
Unknown	5	2.9
Total	170	

\*Corporations holding membership in the Board were: Bank of Nova Scotia, Merchants' Bank, Halifax Banking Co., Union Bank, People's Bank, Nova Scotia Marine Insurance Co., R.G. Dun & Co., Bradstreet's, Dominion Coal Co., Acadia Sugar Refinery. (All listed under "manager" category). Source: Board, *Annual Report*, 1894.



## APPENDIX V

## BOARD OF TRADE EXECUTIVE, 1900-1914

A. EXECUTIVE COUNCIL		
Occupation	Number	%
Wholesaler	36	43.9
Broker	7	8.5
Retailer	9	11.0
Craftsman/Manufacturer	10	12.2
Manager	12	14.6
Professional	6	7.3
Manufacturers' Agent	-	-
Other	2	2.4
Unknown	-	-
Total	82	

B. BOARD PRESIDENTS AND VICE-PRESIDENTS			
Name	Terms	Occupation	B/P & Date
1. A.M. Bell	P. '06-'07, v.p. '05	w'sale hardware	Halifax, 1846
2. W.A. Black	P. '00, v.p. '12	shipbroker	Windsor, 1847
3. G.S. Campbell	P. '01-'02, v.p. '00, '07	shipbroker	Edinburgh, 1851
4. H.L. Chipman	v.p. '04	plant line mgr.	Aylesford, 1862
5. W.J. Clayton	v.p. '03, '06-'07	clothing manufacturer	Shrewsbury, 1851
6. W.S. Davidson	v.p. '10-'11	shipbroker	? , ca. 1870
7. J.E. DeWolf	P. '03-'04, v.p. '01-'02	shipbroker	Wolfville, 1851
8. Michael Dwyer, Jr.	P. '11-'12	w'sale grocer	Halifax, 1865
9. G.E. Faulkner	P. '08, v.p. '05-'06, '09-'10	stockbroker	Cumberland Co., 1855
10. Jas. Hall	P. '05, v.p. '04	Furness-Withy mgr.	Sheet Hbr., 1859
11. G.W.C. Hensley	v.p. '13-'14	shipbroker	Windsor, 1854
12. J.A. Johnson	P. '09-'10	Mutual Life Mgr.	River John, 1861
13. A.E. Jones	v.p. '00-'03	w'sale fish merchant	Halifax, 1857
14. F.B. McCurdy	P. '13-'14, v.p. '12	stockbroker	Old Barns, 1875
15. And. Mackinlay	v.p. '09	retail stationer	Halifax, 1858
16. C.H. Mitchell	v.p. '08	comm. mer.	Halifax, 1858
17. H.R. Silver	v.p. '13-'14	comm. mer.	Lunenburg, 1867
18. O.E. Smith	v.p. '11	w'sale tea mer.	Port Hood, 1863
19. I.C. Stewart	v.p. '08	publisher	Guys. Co., 1867



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C. CORPORATE DIRECTORSHIPS HELD BY BOARD PRESIDENTS AND VICE-PRESIDENTS\*

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1. Silliker	8. NONE	14. E.T.
2. E.C.S.L.	9. Starr, E.C.S.L.	15. P.B., H.G.L., N.S.F.I.
3. B.N.S., E.T., N.S.F.I.	10. NONE	16. A.F.I.
4. NONE	11. NONE	17. NONE
5. Silliker, N.S.F.I.	12. NONE	18. E.T., E.C.S.L.
6. NONE	13. A.F.I., N.S.M.I., A.F.I.	19. NONE
7. NONE		

Key: A.R.I. (Acadia Fire Ins. Co.), B.N.S. (Bank of Nova Scotia), E.C.S.L. (Eastern Canada Savings and Loan), E.T. (Eastern Trust Co.), H.G.L. (Halifax Gas Light Co.), N.S.F.I. (Nova Scotia Fire Ins. Co.), N.S.M.I. (Nova Scotia Marine Ins. Co.), P.B. (People's Bank), Silliker (Silliker Car Works, later Nova Scotia Car Works), Starr (Starr Manufacturing Co.)

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\*For the names of the nineteen presidents and vice-presidents see Appendix V B.

Sources: *McAlpine's Halifax City Directory*, *Belcher's Farmer's Almanack*, 1900-1914; I.J. Isaacs, *The City of Halifax*, *The Annual Financial Review*, 1914: P'ANS, biographical files.

## APPENDIX VI

### BOARD OF TRADE MEMBERSHIP, 1901\*

Occupation	Number	%
Wholesaler	84	36.4
Broker	26	11.3
Retailer	34	14.7
Craftsman/Manufacturer	28	12.1
Manager	26	11.3
Professional	9	3.9
Manufacturers' Agent	2	.9
Other	14	6.1
Unknown	8	3.5
Total	231	

\*Corporations with membership in the Board were: Acadia Sugar Refinery, Bank of Nova Scotia, Bank of British North America, Bermuda Cable Co., C.P.R., D.A.R., Direct U.S. Cable Co., Halifax Banking Co., I.C.R., People's Bank, R.G. Dun & Co., Royal Bank, Union Bank, Western Union Telegraph Co. (listed above under "manager" category). Sources: Board, *Annual Report*, 1901.



# APPENDIX VII

## BOARD OF TRADE MEMBERSHIP, 1914-15

Occupation	Number	%
Wholesaler	126	19.2
Broker	76	11.6
Retailer	116	17.7
Craftsman/Manufacturer	74	11.3
Manager	104	15.8
Professional	63	9.6
Manufacturers' Agent	20	3.0
Other	77	11.7
Unknown	1	
Total	657	

\*Broker now includes real estate agents. Professional includes accountants, architects and dentists. Other includes contractors. Major corporate members included: Bank of Commerce, Bank of Nova Scotia, Bank of British North America, Bank of Montreal, Royal Bank, Union Bank, Merchants' Bank, Eastern Trust, Maritime Trust, Eastern Canada Savings and Loan, Scotia Trust, Eastern Securities, Nova Scotia Building Society, Canadian Investors Ltd., North America Life Ins., Equitable Life Ins., Acadia Fire Ins., Royal Ins., Imperial Life Ins., Halifax Fire Ins., Mutural Fire Ins., Great West Life, Sun Life, Canadian Life Ins., I.C.R., C.P.R., D.A.R., Hfx. & S.W. Ry., Plant Line, Halifax Electric Tram Co., Furness-Withy, Dominion Express Co., Maritime Tel. & Tel., Bermuda Cable Co., Direct Cable Co., Western Union, R.G. Dun & Co., Bradstreet's, Halifax Herald, Imperial Publishing Co., Chronicle Pub. Co., Halifax Hotel, Smith-Premier Typewriters, National Fish Co., N.S. Car Works, N.S. Pure Milk Co., Singer Sewing Machine Co., Rhodes-Curry, Acadia Sugar Refining, Dominion Textile, Canadian Cereal & Milling, Consumer's Cordage, Cdn. Rubber Co., Starr Manufacturing, St. Croix Paper, Brandram-Henderson, Hfx. Breweries, Oland & Son, N.S. Const. Co., Cdn. Oil Co., National Drug & Chemical, Moirs Ltd., Amherst Boot & Shoe, Northern Electric, Canadian General Electric, Sherwin-Williams, E.B. Eddy, Canadian Explosives. (All listed above under "manager" category).



# APPENDIX VIII

## LEADING HALIFAX BUSINESSMEN\*

Name	Occupation	Corporate Interests
C.W. Anderson	wholesale grocer	H.B.C., H.F.I.
Chas. Archibald	capitalist	B.N.S., B-H, Cam., Dem., T.
Rbt. Boak	commission merchant	U.B., A.F.I., N.S.S.R.
H.N. Bradford	manager Royal Sec.	Cam., Dem., T.E.
R.E. Harris	lawyer	E.T., N.S.S.C., B-H, Cam., Dem., T.E.
David MacKeen	capitalist	R.B., D.S., I.L., H.E.T.
J.C. Mackintosh	stockbroker	Starr, E.C.S.L.
F.G. Parker	commission merchant	N.S.C.M., Starr
John Payzant	lawyer	B.N.S., H.E.T., E.T., N.S.F.I.
Thos. Ritchie	lawyer	E.T., Starr, R.B.
Wm. Robertson	wholesale hardware merchant	U.B., R.B.
Wm. Roche	wholesale coal merchant	U.B., H.F.I.
W.B. Ross	lawyer	Cam., Dem., P.R.R., T.E., M.T.
O.E. Smith	wholesale tea merchant	N.S.C.W., H.E.T.
Wiley Smith	wholesale grocer	A.S.F., R.B.
W.J. Stairs	wholesale hardware merchant	U.B., Starr
Robie Uniacke	lawyer	H.B.C., H.F.I., E.T.
A.W. West	commission merchant	P.B., O.M.M.I.

Key: A.F.I. (Acadia Fire Ins.), A.S.R. (Acadia Sugar Refinery), B.N.S. (Bank of Nova Scotia), B-H (Brandram-Henderson), Cam. (Camaguey Electric), Dem. (Demarara Electric), E.C.S.L. (Eastern Canada Savings & Loan), E.T. (Eastern Trust), H.B.C. (Halifax Banking Co.), H.E.T. (Halifax Electric Tram), H.F.I. (Halifax Fire Ins.), I.L. (Imperial Life), M.T. (Montreal Trust), N.S.C.W. (Nova Scotia Car Works), N.S.F.I. (Nova Scotia Fire Ins.), N.S.S.C. (Nova Scotia Steel & Coal), N.S.S.R. (Nova Scotia Sugar Refinery), O.M.M.I. (Ocean Mutual Marine Ins.), P.B. (People's Bank), P.R.R. (Porto Rico Railways), R.B. (Royal Bank), Starr (Starr Manu. Co.), T.E. (Trinidad Electric), U.B. (Union Bank).

\*Leading businessmen are defined as those holding the presidency or vice-presidency of local corporations and/or holding directorships in major Canadian corporations. None of these men served on the executive of the Board of Trade. Source: See Appendix V. In support of the argument that few of Halifax's entrepreneurial elite played a leading part on the Board of Trade, it might be noted that of the 48 Haligonians estimated to be worth \$100,000 or more in 1898, only 11 ever sat on the Board executive; *Herald*, 14 Nov. 1898.







16. A KNIGHT IN BUSINESS:  
SOME ASPECTS OF SIR F.W.  
BORDEN'S BUSINESS AFFAIRS,  
1896-1917

CARMAN MILLER

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## A KNIGHT IN BUSINESS: SOME ASPECTS OF SIR F.W. BORDEN'S BUSINESS AFFAIRS, 1896-1917

Carman Miller

From the perspective of Toronto, measured against the exceptional careers of Sir Henry Pellatt, Sir J.W. Flavell, Sir William Mackenzie and Sir Donald Mann, the business career of Sir Frederick William Borden could scarcely be considered a success. At the time of his death in January 1917 Borden's real and personal wealth had an estimated value of \$300,000.<sup>1</sup> This sum was less than double the value Borden had placed on his assets some twenty years before when he had endeavoured to raise a mortgage for \$186,000.<sup>2</sup> In other words the value of Borden's assets grew at an annual rate of increase of only 2.4%.<sup>3</sup> What makes his "failure" even more striking is that during fifteen of those twenty years Borden had been intimately associated with federal politics, serving as Laurier's Minister of Militia and Defence from 1896-1911. A period of rapid economic expansion, characterized by an incestuous relationship between business and politics, these years offered an ambitious cabinet minister an unusually favourable opportunity to enhance his business interests, an opportunity eagerly seized by many of Borden's cabinet colleagues. Their venality brought public morality to such a low ebb that Borden's fellow cabinet colleague from Nova Scotia, W.S. Fielding, no neophyte to Canadian political culture, confided to the Governor-General, Lord Minto, that several of his colleagues deserved jail sentences rather than positions of public trust.<sup>4</sup>

This is not to suggest that virtue deterred Borden from participating in the era's great public barbecue. Of course F.W. Borden, like his Conservative cousin, R.L. Borden, could mouth progressive slogans. He could call for government ownership of railways,<sup>5</sup> condemn sweating conditions in industry,<sup>6</sup> plead innocence of charges of corruption, feign horror at blatant conflicts of interest, declare war on bribery, call for a new code of public morality, and promise legislative remedy, particularly when out of office.<sup>7</sup> His record, however, provides less convincing proof of his convictions. Although probably no worse than other government departments, his Ministry of Militia and Defence came to symbolize the graft and corruption which riddled Laurier's public service. His private life, his weakness for wine and women, scandalized the moral crusaders of the period, provoked two celebrated libel cases, and constituted the single issue of the 1908 federal election campaign in his constituency of Kings County, Nova Scotia, a contest which he won by a large majority, despite the hostility of a large segment of the deacons and clergy of this predominantly Baptist county. He also cultivated to a high degree the fine art of patronage. When his party came to power in 1896 he made a fairly clean sweep of the Tory office holders in his constituency. A glance at accessible printed records, notably the *Sessional Papers*, provides positive proof of Borden's generous distribution of public favours to friends and political supporters. His private papers are even more revealing.



Although his accommodating cousin, R.L. Borden, the Conservative opposition leader, informed the House in 1904 that he knew of no patronage involving the Militia Department in his province,<sup>8</sup> it would have taken little imagination to see the political relationship between the fact that the annual contract to provision the militia camp in Kentville, worth some \$2,000 or more, was assigned without question or competition to T.L. Dodge & Co.,<sup>9</sup> a company whose proprietor happened to be the Liberal Member of the Nova Scotia Legislature for Kings County (1894-1911), and a man with whom Borden had close business ties. The horse and hay contracts, mail subsidies, small construction jobs, petty government appointments,<sup>10</sup> as well as the occasional land deal,<sup>11</sup> were all carefully placed, in Borden's words, to keep "the machine...in as good running order as possible."<sup>12</sup> Obviously it helped to have a cousin as leader of the Opposition particularly if that cousin's brother, J.W. Borden, had been made the Department's chief accountant and director of the sensitive contracts division. Yet among the hard-nosed politicians of the time, these examples of ward healing constituted a relatively minor offence; to many they were simply an accepted part of the spoils system which netted the donor little save, perhaps, a better chance of re-election.

Conflict of interest was another matter where the line between legitimate business and public trust was a matter of discretion, a quality largely lacking in many of Borden's cabinet colleagues. The Minister of Militia was no exception. From the start of his ministerial career Borden never hesitated to press upon his cabinet colleagues the business schemes of his friends, and in many of these schemes he had a direct economic interest.<sup>13</sup> An examination of the most publicized example of Borden's conflict of interest, the Saint John cold storage deal, provides both an insight into the nature of his business activities and his political ethics. This scheme can only be appreciated, however, in the context of his larger business career.

When Borden entered Laurier's Cabinet in 1896 as Minister of Militia and Defence he already possessed considerable business interests. Although a medical doctor with an established practice in Canning, Kings County, Nova Scotia, he also served as the local agent for the Halifax Banking Company. His largest business activities, however, had been incorporated into the F.W. Borden Company, with an authorized capital stock of \$250,000 of which \$100,000 had been paid up by June 1897.<sup>14</sup> This company engaged in general merchandizing of practically every kind and description. It possessed two stores, one at Canning, the other at Blomidon; a lumbering operation with two thousand acres of timber land located chiefly at Blomidon and Gaspereaux together with a steam-driven lumber mill at Blomidon.<sup>15</sup> It also held a 150 acre farm at Pereau, in 1900 said to be one of the largest in the province, containing livestock (ninety cattle, fifteen horses and one hundred sheep) and fifty acres of wheat. The value of the farm produce, barns, livestock and machinery, destroyed by a fire in 1900, was estimated at \$20,000.<sup>16</sup> On other property the company raised hay, potatoes (exported to the West Indies), apples and cranberries. (In 1900 Borden valued his orchard at \$25,000 and the cranberry bog at \$6,000).<sup>17</sup> It also engaged in an extensive mortgage and real estate business in the county (altogether the Company possessed some four thousand acres of land), owned a



\$100,000 dyke at Kingsford, possessed two schooners (one of 150 tons, the other of 50 tons register), and thirteen miles of telephone line. Its charter gave it the right to own and operate mines, telegraph, tramway and power lines.<sup>18</sup>

Although Borden had invested and continued to invest in other local ventures, such as the Canning Water and Electric Light Heating and Power Company Limited, the Gaspereaux Lumber Company, the Cornwallis Creamery, the Cornwallis Valley Railway Company, the Valley Telephone Company, the Hillcrest Orchards Limited and the Western Chronicle Publishing and Printing Company, nevertheless the F.W. Borden Company contained the bulk of his fixed assets. These assets provided the substance for subsequent regional business enterprises as well as the security to back loans for more speculative ventures outside the region. Although Borden had several business partners – R.W. Kinsman, a local merchant, George E. Boak, a Halifax businessman, H.H. Wickwire, the M.L.A. for Kings County, and Captain William R. Potter, a Canning merchant – to all intents and purposes Borden himself was the Company.<sup>19</sup> From 1895, when it was first incorporated, until 1917, this Company went through a number of name changes. Although in 1897 its name was changed to the R.W. Kinsman Co., after its executive manager and director (perhaps to make conflict of interest less obvious), still there was no question of who owned and controlled the enterprise. Then in April 1901, as part of an effort to refinance the Company, it became known as the Nova Scotia Produce and Supply Co. Limited with a capital stock of \$500,000,<sup>20</sup> most of which was never subscribed. Two years later, to escape the stigma of mismanagement, the Company was reorganized, the “Nova Scotia” dropped from its title, and its stock authorization reduced to the more realistic sum of \$200,000.<sup>21</sup>

The Produce and Supply Company's reduced capitalization may have been more than a recognition of its predecessor's failure; it may also have represented a new entrepreneurial strategy, since after 1903 Borden began to form other companies to exploit the more specific powers of the F.W. Borden Company's original charter. For example, as early as the spring of 1899 Borden began a project to electrify the counties of Annapolis, Kings, Hants and Halifax (excluding the city of Halifax and town of Dartmouth) by purchasing existing local coal-generated power companies and replacing them with cheaper hydro-generated electricity to be produced by harnessing the Gaspereaux (Kings County) and Cured (Annapolis County) Rivers. A company, the Nova Scotia Electric Light Company Limited, was formed with an authorized stock of \$50,000 and with F.W. Borden as president.<sup>22</sup> A detailed survey of the rivers' potential and a cost estimate was prepared by T. Pringle and Son, a prestigious Montreal hydraulic engineering firm. Although T. Pringle and Son reported favourably on the project and estimated that the company might realize annual profits of 17% on the \$41,660 required to erect the hydro-electric facilities necessary to generate and distribute the power, the Nova Scotia Electric Light Company Limited failed to proceed and its charter lapsed.<sup>23</sup> But the idea lived on.

Meanwhile Borden, who possessed a small lumbering operation in the Gaspereaux area of his county, began speculating in timber land. In 1907 Borden and a Montreal



businessman, W.G.A. Lambe, borrowed \$80,000 from the Albany National Bank to purchase 30,000 acres of timber land, largely spruce, in the Gaspereaux.<sup>24</sup> Aware of the growing importance of hydro-electricity and the rising price of pulp and paper, Borden and Lambe set about trying to interest various British, American and German investors. Finally in February 1909, a prominent Montreal Liberal, E.A. Robert, president of the Montreal Street Railway and managing director of the Canada Light and Power Company, backed by J.W. McConnell, displayed interest in their timber and water rights. Immediately Borden attempted to resuscitate the charter of his Nova Scotia Electric Light Company; in the end his legal adviser, H.H. Wickwire, persuaded him to incorporate a new company, the Nova Scotia Power and Pulp Company, with sweeping powers, which Borden proposed to sell to the Robert interests. Shortly after the incorporation of the new company a deal was concluded with Robert, whereby Borden and Lambe received \$100,000 for the charter and water rights on their property together with \$250,000 in securities in a larger promotional scheme, the proposed take-over of both the Halifax Street Railway and the city's electric light and gas franchise.<sup>25</sup> According to this scheme Halifax was to be electrified by power from the Gaspereaux. The story of Borden's part in the Halifax Electric and Tramway fight has been told elsewhere by H.V. Nelles and Christopher Armstrong.<sup>26</sup> The point is that Borden and Lambe reaped a rather handsome profit; they estimated that they had made in the vicinity of \$250,000 to \$270,000 on the transaction.<sup>27</sup> This was probably Borden's greatest speculative success. It was not typical.

While the assets of the F.W. Borden Company (and its successors) continued to grow, the Company's profit margin was often slight and in some years it operated at a loss.<sup>28</sup> Unable to attend to its detailed management, owing to his increasing absence in Ottawa, Borden began to form more specialized companies to exploit his diverse holdings more efficiently. The Gaspereaux Lumber Company, formed in 1899, took charge of the timber operation. His company's thirteen miles of telephone lines and the local franchise were turned over to the Valley Telephone Company in return for stock and a directorship in the larger company. Its mining assets were incorporated into the Eastern Mines Limited, chartered in 1912 and capitalized at \$3,000,000.<sup>29</sup> Its real estate and mortgage business eventually became part and parcel of the King's Park Realty Company, incorporated under a federal charter in 1910 and capitalized at \$500,000, with Borden himself as president.<sup>30</sup> He also gained a controlling interest in the Cornwallis Creamery Company and established the Cornwallis Trading Company to take charge of his dry goods, hardware, feed, flour and grocery business at Kingsport and Canning. The creation of more specialized corporate structures doubtless provided the prospect of better management and greater access to capital.

In that respect Borden's Saint John cold storage plan resembled several of his other corporate ventures. At first glance it was a bold and imaginative scheme, based on the exploitation of the region's resources, a scheme which combined public needs with private interest. Unlike the others, however, it proved a costly political adventure with no corresponding economic reward. But that was not for lack of trying. Ever since the reorganization of his produce company in 1903 Borden had sought a more lucrative



means of exploiting his extensive farm holdings, particularly his large apple orchards. In 1906 he had even considered making his entire farming operation a subsidiary of an American company, the American Farm Produce Co., backed by New York interests.<sup>31</sup> Then a more attractive scheme, closer to home, caught Borden's imagination. In October 1906 Borden and R.J. Graham, a Belleville, Ontario, fruit dealer and cold storage expert, agreed to incorporate the Canada Lands and Farm Products Limited under a federal charter with an authorized capital stock of \$1,000,000.<sup>32</sup> According to their plan both men were to put their respective properties, principally farms and orchards, into the Canada Lands and Farm Products Limited in return for stocks and bonds in the new company. Borden then went to England where he was to persuade people there to float the charter and advance sufficient capital during the spring and summer of 1907 to commence operations.<sup>33</sup> The purpose of the enterprise was to buy and store farm produce, particularly fruit, while awaiting a favourable price on the English market.

The need for some such facility was obvious. As early as October 1895 the *Maritime Grocer* had begun agitation for adequate cold storage facilities to aid local farmers.<sup>34</sup> Its campaign had received the firm backing of the United Fruit Growers' Association and the United Boards of Trade, both popular organizations in the Annapolis Valley, but over a decade later their combined efforts had achieved little. Meanwhile the need for proper cold storage facilities reached crisis proportions. As the first planting of commercial orchards, which began in the middle and late 1880's, came to fruition toward the turn of the century, Annapolis Valley commercial fruit farmers faced a pressing problem. By 1901 apple production in the three valley counties of Annapolis, Kings and Hants amounted to 1,370,798 bushels.<sup>35</sup> Inadequate storage facilities, both in the area and at Saint John and Halifax, involved extensive crop loss. In 1901 J.W. Bigelow, the president of the Nova Scotia Fruit Growers' Association, estimated that valley farmers lost as much as \$100,000 owing to inadequate shipping storage.<sup>36</sup> Inability to store produce while awaiting more favourable market conditions in London compounded their loss.

Borden's new company planned to change all this by building large, well-equipped, modern cold storage facilities at Saint John, Halifax and at an unspecified location in Prince Edward Island. To aid him in his ambitious endeavour he had reason to believe, from his vantage inside the federal Cabinet, that his close friend, Sydney Fisher, Laurier's Minister of Agriculture, intended to institute a policy of providing generous federal subsidies to encourage the construction of cold storage facilities. With the confidence that the adoption of this policy was close to a certainty Borden left for England to promote his new company.

But complications soon developed. The English promoters quarrelled among themselves and were unable to provide the funds they had promised.<sup>37</sup> Consequently Borden's plans were reduced to a more modest venture, the creation of the New Brunswick Cold Storage Company. Though lacking the grandiose proportions of the Canada Lands and Farm Products Ltd., the New Brunswick Cold Storage Company possessed ample scope for easy profits, particularly if given generous aid from friendly governments. This Borden set out to secure but not before an unseemly public row forced



him to withdraw from the company, leaving his son-in-law, Leslie Macoun, an Ottawa broker and business associate, in charge of the Minister's interests.

The row originated with a disappointed Liberal competitor, F.E. Williams, who hoped to establish a similar but more modest cold storage service in Saint John. It seems that in 1906 Williams applied to the Department of Marine and Fisheries for a subsidy to establish a cold storage system, a grant for which he believed he qualified under the Frozen Bait Act. According to Williams' plan his cold storage plant would provide other services than preserving frozen bait for fishermen, which was the main purpose of the subsidy; his company proposed to deal in the frozen meat trade as well. Before Williams applied for the subsidy, however, he wisely sought the political endorsement of Henry Robert Emerson, New Brunswick's former Liberal Premier, now Laurier's Minister of Railways and Canals. Emerson obligingly promised his support but persuaded Williams to redirect his application to the Minister of Agriculture, whose proposed programme of subsidies seemed more appropriate to Williams' purpose. After several inquiries at the Department of Agriculture, Williams discovered that he faced the competitive application of Borden's company. Williams realized that in Fisher's hands he stood little chance of success against Borden. Some attempt at reconciliation was attempted. Negotiations between the two parties began with the object of consolidating their interests, but their discussions failed. Furious at this set back, Williams refused to comply with the Department's request to file an application with proper specifications. Instead he decided to make his grievance public.

First he wrote an anonymous letter to the Saint John *Globe* on August 26, 1907, in which he described at some length this example of gross conflict of interest. Then he went to the Saint John City Council, which had offered the New Brunswick Cold Storage Company tax exemptions and a construction site, where he bewailed his fate to the city fathers and denounced Borden as interested only in securing promotion expenses, government grants and contractors' profits. Williams seemed to know a great deal about all three. Yet his indictment, though partial, was an accurate enough description of Borden's interests in the project.

George Eulas Foster, chief of the Conservative party's morality squad and former federal M.P. for Saint John city, raised the issue in the House of Commons. A bitter, prolonged debate ensued in which the Minister of Militia carried the war into enemy territory by directing public attention to Foster's less than stainless past.<sup>38</sup> Yet however clever Borden's diversionary tactics, the debate established certain facts which reflected no credit on a Minister of the Crown.

Three principal interests were represented in the New Brunswick Cold Storage Company: first, those of R.J. Graham, the Belleville fruit dealer; second, those of George McAvity, a prominent Liberal and Saint John businessman; third, those of F.W. Borden, represented by his son-in-law, L.S. Macoun. (Borden told the House of Commons that "I do not own one dollar of stock. I have never received one dollar of benefit. I never expect or intend to hold one dollar of stock. I never expect to receive one dollar of benefit."<sup>39</sup> His private papers, however demonstrate that he only withdrew reluctantly and with ill



grace under family and public pressure.) To this company each man brought a particular asset. Graham brought his technical knowledge of cold storage, McAvity possessed the good will of the New Brunswick government, while Borden had influence with the federal Cabinet.

Their plan seemed simple, involved little risk and promised handsome profits. They estimated that a storage plant could be constructed for \$75,000 to \$80,000; later Borden claimed that costs ran to \$160,000. The latter figure may have included the refrigeration installations. Of this sum the federal government agreed to pay one-third of the cost of construction and equipment. (In fact the order-in-council of 2 August 1907 granting the subsidy specified a sum of \$30,000.) For its part the government of New Brunswick promised to guarantee both the principal and interest on bonds to the amount of \$60,000. The city of Saint John offered tax exemptions. And the Intercolonial Railway, not to be outdone by the others, leased the company a site close to its terminus described as "one of the most eligible in the city", for \$250 a year (tax exempt) on a sixty-three year lease. The I.C.R. had purchased the site for \$8,415 and had put \$4,000-\$5,000 improvements on it. By placing little or no capital into the company the promoters had acquired a very valuable property if not an immediately profitable business. In fact after its first year of operation the company's earnings failed to cover its current expenses; it lost \$15,000 owing to technical malfunctioning and questionable managerial decisions.<sup>40</sup> By this time, however, Borden had disassociated himself from the company, at least publicly, but not before he had invested considerable time and credit, both political and financial, in its creation. More to the point of this paper, the public and private debate on the ethics of Borden's actions in the cold storage deal demonstrate convincingly that the Minister possessed no inhibiting moral code which prevented him from exploiting his position as a Minister of the Crown for personal gain. Consequently if one is to count Borden's business career a failure one must look elsewhere for an explanation.

On another level, one might argue that the regional boundaries of Borden's entrepreneurial activities limited his ability to maximize his assets. After all, the Fundy area was not where large and easy fortunes were to be made by exploiting the public domain. Although Borden's entrepreneurial efforts were largely limited to the Fundy area his investments were not confined to this region. Through his financial connections in Halifax, Montreal, Toronto, New York, Boston and London Borden invested in and helped to promote numerous corporate ventures outside the region (see Appendix I). It is difficult, however, to determine the value of his interests in these companies since many were clearly short-term, speculative ventures, and some simply paper structures. Yet whatever their value they proved to be a no more rapid road to riches than his regional endeavours. Consequently one must look elsewhere for an explanation of Borden's failure to maximize his assets.

While one might advance and test other hypotheses, the point of this paper is to suggest some alternate explanation. As a tentative, and perhaps partial, explanation this paper will argue that Borden's failure to maximize his assets may be understood by an examination of socio-psychological factors, namely his system of values, a system which sought other rewards, the pursuit and enjoyment of which absorbed much of his energy



and earnings. Indeed the assumption implicit in the question regarding Borden's failure to maximize his assets may well be a false one, that is to say the "pig principle",<sup>41</sup> that a businessman's single goal is the maximization of profits. Even Adam Smith argued that "It is not wealth that men desire, but the consideration and good opinions that wait upon riches."<sup>42</sup> Similarly historians have sometimes explained the failure of nineteenth century British entrepreneurship in somewhat comparable terms. They have suggested that the pursuit of social status, landed estates, great houses, political power, titles and other "non-economic ends inevitably involved a haemorrhage of entrepreneurial talent."<sup>43</sup> Closer to home, some historians of French Canada have come to similar conclusions regarding "Le Retard de Québec et l'infériorité économique des Canadiens Français."<sup>44</sup> A study of Borden's behaviour suggests the relevance of this explanation to his business career between the years 1896-1917.

Borden's political career provides a good case in point. When he entered Laurier's Cabinet in 1896 Borden had behind him twenty-two years of active political experience, having first entered the Commons in 1874 at the age of 27. In the years which followed his appointment to the Cabinet, and particularly after 1902, he frequently complained to his friends that his political career detrimentally affected his business interests. Each election after 1900 Borden promised would be his last. Occasionally he threatened to resign and in 1906 began serious negotiations with H.H. Wickwire to succeed him.<sup>45</sup> Wickwire's subsequent defeat as the county M.L.A. for the Nova Scotia Assembly and the peculiar character of the 1908 federal campaign in which Borden's personal morality was the focal issue forced him to stand again. But there was more to it than that. For Borden as for many people politics was "the sum of things hoped for." In other words Borden lingered on in active political life in anticipation of receiving some additional reward. In this respect his ambitions were transparent. For despite Borden's protest that active political participation impeded his business interests, Borden seemed to have had no intention of leaving politics to devote his full time to money making. Moreover he seemed to enjoy public life. What he wanted was a more prestigious public position. Twice Laurier had offered him the Lieutenant-Governorship of Nova Scotia.<sup>46</sup> Each time Borden had refused because he had set his sights higher and he was prepared to bide his time. In fact it was an open secret that Laurier had promised him the Canadian High Commissionership to Great Britain when the aged Lord Strathcona finally agreed to step down. Although Strathcona's resignation was frequently anticipated by the press it was never announced officially until the summer of 1911. On July 1st, during a Dominion Day dinner given in London by Strathcona for Laurier and other visiting dignitaries, including Sir Frederick Borden, Strathcona announced publicly his decision to resign. Laurier immediately rose to express his formal regrets, praise Strathcona's past contribution and announce the identity of his successor: Sir Frederick Borden.<sup>47</sup> Borden was elated. He returned immediately to Canada to arrange his departure from Ottawa. But no official letter of resignation came from Strathcona. Meanwhile an election was announced, and although Borden had no intention of contesting his seat, a few weeks before the vote, under pressure from Laurier, Borden reluctantly agreed to stand again. His personal defeat and that of his party proved a heavy blow to his plans and aspirations.



Even so, defeat failed to destroy his interest in public life; that had become too much a part of him. Naturally at the time he was disappointed and he announced in bitter terms his retirement to his friends and associates, explaining to them that at sixty-five "I do not think that...I owe anything further to my party or the country."<sup>48</sup> His actions, however, belied his words. It took little persuasion to convince Borden, a close personal friend of Laurier, to continue to participate in political life, at least in an advisory capacity. First he agreed to join a small committee to assist Laurier with policy formation; then he was persuaded to help reorganize the party, a task he undertook with marked enthusiasm. Soon he and W.L.M. King had created elaborate plans for a thorough overhaul of the party using the British Liberal party as their model.<sup>49</sup> At the time of Borden's death in January 1917 he had every intention of contesting his old constituency of Kings. Politics had become a way of life, an addiction which he obviously could not break.

Politics also provided specific rewards. None did he prize more than his K.C.M.G., granted on the occasion of King Edward VII's coronation. Before he had been offered the honour he had always protested that he was "too democratic and too poor,"<sup>50</sup> to accept a title. Neither consideration restrained him thereafter. At the time he generously and accurately described his honour as a token of the King's appreciation for Canada's South African War contribution.<sup>51</sup> Soon he came to regard his title as an individual mark of esteem and a source of immense personal gratification. Subsequently he made every effort to live in a grand style appropriate to his rank, a role compatible with the tastes and temperament of both Borden and his wife.

To assist him Borden retained two large houses. While Borden may well have envied the baronial pretensions of Toronto magnates like H. Pellatt (more likely his envy was directed toward grander and more familiar premises) his own quarters were far from modest. His first house, "Borden Place", situated in Canning, Kings County, was a large brown wooden mansion above the Habitant River, set in a spacious lot facing the tree lined main street, later renamed Borden Street. As soon as he learned of his nomination for honours he engaged architects in Halifax to plan and supervise extensive renovation of this house. When there, Lady Borden, locally known as the queen, "ruled in stately fashion her little empire."<sup>52</sup> In Ottawa the Borden's possessed a somewhat grander residence, "Stadacona Hall", the large stone house formerly occupied by John A. Macdonald (1877-83), worth \$75,000 with land in 1912.<sup>53</sup> Its furnishings alone were valued at \$4,000.<sup>54</sup> A gregarious person, Borden belonged to a large number of private clubs which transcended regional and national boundaries: the Royal Automobile Club, the Calumet Club (New York), the Rideau Club, the Laurentian Club, the Ottawa Hunt Club, the Ottawa Country Club, the Ottawa Golf Club, the Belmont Country Club, the Halifax Club, the Quebec Garrison Club and the Canadian Club (Boston).<sup>55</sup> The Militia itself, which he served for over twenty-seven years before becoming its minister, was but an enlarged social club, often described as a cross between a fraternal lodge and a sporting club.<sup>56</sup>

Borden practised philanthropy on a somewhat similar scale. Although not a religious man, churches canvassing contributions, regardless of denomination, could count



upon Borden's routine \$100 contribution. Special circumstances, the reconstruction of his own Methodist church in Canning (\$1,500), or the Baptist church in his "childhood village" of Cunard (\$500) or the building of the Anglican Cathedral in Halifax (\$500) received more generous considerations. His personal munificence was well known in his constituency. Libraries in Kentville and Canning were established with his financial assistance and encouragement. He also responded readily to requests born of individual hardship or peculiar need. For example, to a lady requesting a loan of \$25 to finance her daughter's musical education Borden replied with a gift of \$50. At Christmas all "cases of special hardship" received gifts of food.<sup>57</sup> Outside his constituency Borden met similar calls upon his benevolence. The Salvation Army, the Halifax Y.M.C.A. and Ottawa Y.M.C.A. received generous donations, the latter receiving \$1,000 toward its building fund.<sup>58</sup> He also contributed liberally to the Patriotic Fund (to assist dependents of Boer War casualties), the Red Cross Society<sup>59</sup> and the T.B. Association, all of which he served as a national director. He also served as director of the Strathcona Trust established in 1909 with a sum of \$500,000 to assist cadet training in the schools. There were also the charities associated with his Ministry, such as the Toronto Veterans Association, which made similar calls upon his generosity. Education benefited from his benevolence as well. In 1913 he contributed \$5,000 to the fund for Mount Allison University, the *alma mater* of his deceased son, Harold (this institution's president, the Rev. Dr. Byron C. Borden, was also a cousin).<sup>60</sup> His own *alma mater* Kings College, from which he received a D.C.L. in 1910, received \$1,000. McGill University, Acadia University, and the University of New Brunswick (which gave him an honorary degree in 1913) received smaller but substantial gifts.<sup>61</sup> In 1910 he established the Sir Frederick Borden scholarship fund, providing a scholarship open to high school graduates from his constituency "to encourage young people of small means to take a course at college."<sup>62</sup>

In other ways, too, Sir Frederick attempted to guarantee public memory of the "house of Borden." Like many Victorian gentlemen he was fascinated by genealogy and ancestry and predictably had his family traced back to William the Conqueror; in 1908 he even procured the family arms from the Herald at Arms.<sup>63</sup> At McGill University he had a bronze plaque unveiled, and in Canning a life size bust was erected in the centre of the village to commemorate his son, a third year medical student at McGill, who had been killed in the South African War. The Dominion Rifle Association received a \$500 challenge "Borden Cup," named in honour of his deceased son.<sup>64</sup> Titled and prominent in public life, with a cousin who was leader of Her Majesty's opposition, both men living in Ottawa in more than modest circumstances (not to mention the cousin who was head of Mount Allison University), it was probably not too difficult for Sir Frederick to imagine himself as the head of some emerging Canadian family dynasty.

According to Samuel Smiles "anyone who devotes himself to making money, body and soul, can scarcely fail to make himself rich."<sup>65</sup> Unlike Smiles' rich man Borden was not prepared to devote himself completely to making money. He had other interests. For example, he increasingly enjoyed spending money on his own pleasures, on the purchase of prestige, wine, women, cars, clubs and travel. Constantly on the move by train, ship or



car, Borden visited Boston and New York almost every month on business and crossed and recrossed the continent several times. In the last eleven years of his ministerial career he visited England every year but two, 1901 and 1905. Although often there on the pretext of public business he usually made his visits an occasion for personal business and pleasure. In London and outside he received considerable official and semi-official attention. There he enjoyed the hospitality of titled personages<sup>66</sup> and sometimes Royalty itself.<sup>67</sup> The Guild Hall, the British Empire League, the Imperial Institute, and the Anglo Saxon Union, as well as military organizations, invited him to address their public meetings. In 1903 the British government made him the first "Colonial" member of the Colonial Defence Council. He also became a vice-president of the British Empire League, an honorary surgeon-general of the British Army,<sup>68</sup> a vice-president of the Imperial Commercial Club<sup>69</sup> and a director of the Home Scholarship Fund.<sup>70</sup> In the company of Lady Borden he travelled extensively both in Britain and on the continent. During his 1909 tour, for example, he sought and received an audience with the Pope and visited Florence, Naples and the Riviera. At home he served as vice-president of the Canadian Military Institute, vice-patron of the Ottawa Choral Society and belonged to a host of organizations, ranging from the Field Naturalist Club to the American University Association, the Order of St. John and the Canadian Association for the Advancement of Science. He liked cars and owned a Cadillac. When he was a minister he had a short spur rail line built to his Canning property where he could station the ministerial coach. His weakness for wine and women was notorious. Indeed, to the crusading moralists of his time he became a chief object of attack, and was described as "that unclean thing",<sup>71</sup> and as "a stench in the nostrils of the right thinking people from Halifax to Vancouver."<sup>72</sup> Not only did Borden's weakness for wine and women offend them but he refused to endorse their other causes, for example, their efforts to abolish race track gambling. In fact he was one of the few English Canadian Liberals prepared to resist publicly their organized efforts on this issue.<sup>73</sup> A "bon vivant" in style and character, Sir Frederick presented a striking contrast to his more sober-sided cousin, Sir Robert Laird Borden.

Tall, debonair, fruity of voice, [Sir Frederick was] a joyous old boy and something of a scamp, who could play the fiddle at a supper party if it was the right kind of supper party, and who had other qualities which for the sake of delicacy are usually called human. He was Minister of Militia and contributed to the gaiety of nations. I like[d] him.<sup>74</sup>

Well might political opponents describe him as the "eighteenth century Knight",<sup>75</sup> for increasingly he seemed to be a relic not only of a past era but a past century. In a larger sense, then, Borden amply fits P.L. Payne's characterization of the British entrepreneurial type who was prepared "to substitute leisure or political power, or prestige from philanthropic works, for income maximization after a certain conventionally acceptable income level had been attained."<sup>76</sup>

On the other hand Borden's conspicuous consumption and his enjoyment of wealth and power may have been more a symptom than a cause of his failure to maximize his



assets. Put another way, Borden, the product of a small town, seemed to have been cut more in the mould of T.W. Acheson's 1880 industrial elite rather than the later 1910 model. He was

a community entrepreneur of rather narrow horizons; a product of mid-nineteenth century colonial society with an essentially regional bias; a man, frequently of modest origins, who on most issues tended to side with his community rather than his class.<sup>77</sup>

He was not a man of narrow horizons, but after 1896 he seemed to display an increasingly uncomfortable sense of isolation and insecurity, and to move away from the old family environment in which he had established his political and business careers. He was a man out of step with his age. His subsequent pursuit of prestige, place and the pleasures which wealth could purchase, his efforts to establish his family name, and his refusal to be stampeded by the moralists of the new era were perhaps but Borden's way of bringing order into a world of growing personal uncertainty and isolation.

The acceptance of a Cabinet post had altered rather abruptly Borden's established pattern of life and had called for considerable personal adjustment. Parliament no longer meant a welcome break from the restraints and tedium of local business and politics, an eight to ten week sojourn in Ottawa during the late winter or early spring, living in a boarding house with congenial parliamentary friends and colleagues. As a Cabinet Minister politics now meant a more permanent commitment to Ottawa. Although Borden soon found a house and brought his wife and three children to Ottawa he insisted upon renting at first and seemed to consider Ottawa but a temporary residence. His letters reflect his initial uncertainty and dissatisfaction with life in Ottawa, and the frequent press rumours of Borden's early retirement were based upon his known discontent. (A year after his defeat in 1911 he sold Stadacona Hall to return to Canning.) Yet nothing in these early years in Ottawa created a deeper sense of insecurity and isolation than the tragic death in 1900 of his only son, Harold, in South Africa. Borden had been very close to his son. Harold had followed his father into medicine and shared his father's interest in the militia, and Borden had come to depend upon Harold for assistance in both politics and business. For example, just before news of his son's death Borden had planned to make Harold president of his Nova Scotia Produce and Supply Co. His death removed an important support in Borden's family-structured business, and forced him to reconsider both his business and political future.<sup>78</sup>

In other ways, too, Borden's ministerial responsibilities caused considerable anxiety. The regional nature of his entrepreneurial interests made direction difficult from Ottawa. His attempts to run affairs by remote control proved unsatisfactory. His weekly and often daily epistles to his partner and managing director of his company, R.W. Kinsman, on the petty details of daily administration and their complaining, carping tone underline his apprehension. Like Norman W. Taylor's French Canadian industrialists, whose individualism expressed itself in terms of a strong sense of independence, Borden found it difficult to relinquish the administration of his business to a trusted partner or professional administrator; and he may have retained an incompetent but pliable



administrator simply to maintain personal control of his business. He liked, as he explained to a friend, to hold in his own hands "the real key" to a situation.<sup>79</sup> To a certain extent his possessiveness was understandable. He had built his business from practically nothing to a thriving enterprise and he had personally directed its growth and diversification. During his absences in Ottawa and elsewhere before 1896 he had left things in the hands of family members or trusted friends who understood and accepted his status and authority. Now his virtually permanent residence in Ottawa made personal and detailed administrative direction increasingly impossible.<sup>80</sup>

Borden's insistence on personal control and independence had parallels in his public career. One of his greatest contributions to public life as Minister of Militia was his success in establishing ministerial control and responsibility over his department's unmanageable administrative structure. Before Borden assumed control of the department a succession of strong-willed British General Officers of the Canadian Militia had created parallel administrative structures within the Militia department which were answerable directly to the General and, under Major-General E.T.H. Hutton, forbidden to communicate with the responsible Minister or his deputy. By 1900 the General had come to claim co-equal status with the Minister together with absolute autonomy over specific areas of military administration, a claim which made a mockery out of ministerial responsibility. After vain efforts to make the old system work Borden decided to challenge and eventually destroy it, but not before he had dismissed two of the most difficult in a long succession of unsatisfactory General Officers Commanding, E.T.H. Hutton and Lord Dundonald. Borden replaced them with a Militia Council presided over by himself and supported by an almost equal number of civilian representatives of his department (one of whom, J.W. Borden, was a cousin). This system ended the long and tortuous history of conflict between Ministers and Generals.<sup>81</sup>

But Borden seemed incapable of establishing more impersonal, professional business relationships, though his business suffered from his failure. His relationship with R.W. Kinsman, the managing director of his produce and supply company, provides a good case in point. For over six years Borden maintained Kinsman in a position of trust and responsibility despite Kinsman's "outrageous and intolerable"<sup>82</sup> business habits. Kinsman's bad judgement, chaotic bookkeeping, failure to pay and collect bills, refusal to answer letters, misleading information and procrastination played havoc with Borden's attempts to keep the company solvent. Even when Borden procured sales (such as a shipload of deals for Alfred Dobell and Co. of London, or wheat for Archibald Campbell, a Chatham, Ontario, miller) Kinsman's failure to honour the commitment destroyed both the credit and credibility of the company.<sup>83</sup> Under Kinsman's direction the company lost money and in some years its profit margin was reduced to a level resembling that of "a benevolent institution."<sup>84</sup> Despite his repeated remonstrances with Kinsman for the latter's "scandalous behaviour",<sup>85</sup> Borden consented to his removal only upon the insistent advice of Toronto financiers, notably George Cox, who contemplated investing in the company. Although their parting was acrimonious, each threatening the other with legal action, Kinsman for misappropriation and Borden for slander,<sup>86</sup> Borden continued



to loan money to members of Kinsman's family;<sup>87</sup> and six years later Borden readily provided Kinsman a position in the Militia department.<sup>88</sup> An ingrained loyalty enforced by a fear of local sanction characterized Borden's personal relationships in politics and business even when they ceased to provide tangible benefits. These business methods, however, were becoming increasingly outmoded in the impersonal world of corporate business, where ownership was diffused and control increasingly in the hands of career administrators.

Yet Borden was reluctant to change, even when his behaviour appeared detrimental to his business interests. For example, trust, based upon an intimate knowledge of his constituency and clientele, had played an important part in the creation and the maintenance of Borden's local mercantile business. Through direct loans, the extension of credit and the endorsement of notes Borden had established an elaborate web of credit relationships binding people to himself. He often complained that he had become "a professional money lender."<sup>89</sup> Yet the system worked on a local, personal level because the sums loaned were never large and Borden knew the debtor's character and credit rating; besides, this dependent relationship could readily be turned to advantage at election time. In the larger world of corporate business the stakes were higher, the safeguards fewer, and the risks greater. Yet Borden was often financially embarrassed and his credit compromised by outstanding notes that he had endorsed for sums of \$3,000 and more for men such as B.F. Pearson,<sup>90</sup> Rufus Pope<sup>91</sup> and C.A. Henderson,<sup>92</sup> a New York financier.

In other ways, too, Borden's behaviour seemed to belong more to a past epoch. In corporate ventures which he sired he tended to seek as partners family members and old or trusted friends. Before 1900 he had depended heavily upon his son; after 1900 he depended upon his son-in-law, Leslie Macoun. Borden's reluctance to change, together with his awareness of the changing character of corporate business, may have been another factor which prevented him from giving up public life for a more active business commitment. It may also have increased his drive to prove himself through conspicuous consumption and the pursuit of prestige and place. Together they may help explain his failure to maximize his assets between the years 1896 and 1917.

But to what extent was Borden's experience representative of other entrepreneurs of the Atlantic region, the Fundy sub-region or both by this time? Clearly in the absence of comparable studies it is difficult to say. Moreover the "one by one" study of individuals is probably not the best method of approaching the problem. Sir Frederick's business experience, however, is sufficiently similar to that of Taylor's French Canadian entrepreneurs to suggest a more widely distributed regional pattern of behaviour and one which may have contributed to "le retard" of the Atlantic region as well as Quebec.

#### NOTES

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6. Canada, House of Commons, *Debates*, 1 August 1899, 9092.
7. F.W. Borden to F.G. Curry, 2 January 1912; F.W. Borden to I. Oakes, 31 January 1912, F.W. Borden Papers.
8. Canada, House of Commons, *Debates*, 11 July 1904, 6397-8.
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## APPENDIX I

### BORDEN'S CORPORATE VENTURES

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The American Farm Products Company  
The Avon Valley Development Company (director)  
The Beaver Valley Oil Company  
The Buffalo, Lockport & Rochester Railway Company  
The Butte Central Copper Syndicate (President)  
The Canadian Cobalt Company Ltd. (director)  
The Caribou Deeps Ltd.  
The Credit Clearing House Syndicate (director)  
The Dominion and Canada Trust Company  
The Dominion Box and Package Company  
The East Oregon Light and Power Company  
The Electrical Development Company  
The Empire Cobalt Company Limited  
The Harbourville Realty Company (director)  
The Havana and Regla Warehouse Limited  
The Havana Central Railway Company  
The International Mercantile Agency  
The International Underwriting Company  
The Irondale Bancroft and Ottawa Railway Company  
The Maritime Coal, Railway and Power Company Limited  
The Mutual Life Assurance Company (director)  
The Nipissing Mines Company  
The Noiseless Typewriter Company  
The North Atlantic Collieries Company Limited  
The Northern Crown Bank  
The Nova Scotia Carriage Company  
The Nova Scotia Land Corporation Limited  
The Nova Scotia Telephone Company  
The Peterson Lake Mining Company  
The Reddick Larder Lake Mines Limited (director)  
The Republic Mines Company  
The Silver Crown Mining Company Limited (President)  
The Simplex Box Syndicate  
The Spanish River Pulp and Paper Company  
The Stanfield Company Limited  
The Tri-National Security Company  
The United Railways of Havana  
The Victoria Tripolite Company Limited  
The Western Farm Products Company







17. CRADLE OF ENTERPRISE:  
YARMOUTH, NOVA SCOTIA,  
1840-1889

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## CRADLE OF ENTERPRISE: YARMOUTH, NOVA SCOTIA, 1840-1889<sup>1</sup>

Gerry Panting

During the nineteenth century Yarmouth was a leading port of the Atlantic Region in the development of an ocean-going merchant marine.<sup>2</sup> And like other parts of North America, Yarmouth and environs had to be created out of the wilderness, a second achievement to be credited to the inhabitants of the town. These two triumphs prompt us to ask how these results were achieved by a relatively small community. In an effort to answer that question, we shall analyse Yarmouth's commercial operations, focussing upon the activities of significant shipowners. Especially important are their family relationships. Some of these are explored as an illustration of the dynamics in the business operations of this group and, hopefully, of other Yarmouth entrepreneurs.

The period under consideration is that between 1840, when Yarmouth became a port of registry, and 1889, one decade after the mercantile fleet of Yarmouth had reached its maximum tonnage.<sup>3</sup> During this period Yarmouth had a limited population, which stood at about 6100 as late as 1891.<sup>4</sup> Therefore the number of potential entrepreneurs of any kind within such a community must have been very small indeed.<sup>5</sup> Nevertheless it seems likely that the number of outlets for entrepreneurial activity increased with the absolute increase of population. Moreover, since Yarmouth was an aspiring metropolitan centre,<sup>6</sup> some of its inhabitants were certainly sensitive to opportunities for enterprise and technological innovation which would aid in the development of a hinterland.

The harbour was one of the central facilities for a town oriented toward the sea.<sup>7</sup> By 1821 Yarmouth was a shipbuilding centre. Its status as a free port after 1834 and a port of registry after 1840 led to harbour improvements in the next decade, to the development of fisheries servicing during the 1850's and the 1860's, and to the establishment of a marine railway as part of a repair facility during the 1870's. The metropolitan centre reached into its hinterland with weekly stage runs to Shelburne and Digby in the 1830's, developing by the 1850's into daily mail runs to Digby – a port of departure for Saint John and Halifax. From the 1840's to the 1880's there was a shift from sailing packets to steamers on the runs to Boston, Saint John and Halifax. The telegraph arrived in the 1850's and the railway by 1879, although a connection to Halifax was not completed until 1891. Telephone service began in 1880. The inauguration of these technologies was matched by the development of services and utilities. The mud sidewalks and horse-drawn omnibuses of the 1840's were replaced by plank sidewalks after 1857 and a street railway in 1888. Gas lighting, introduced in 1863, was replaced by electric lighting in 1888. A trunk sewer was laid along the main street in 1884. As a result of the work of enterprising citizens, a town clock was installed in 1854 and the Mountain Cemetery established in 1860.



The town's commercial life reveals the same sense of motivation. Water power was applied to grist and carding mills by the 1820's and to the "Rialto Mills" erected in 1839 as a series of water-driven workshops. In 1848, the town contained 117 "mechanic shops" and, in 1865, fifteen steam "factories." By 1871 the Burrell-Johnson Iron Company had been formed, and by 1883 the Duck and Yarn Company, with its 3400 spindles and capitalization of \$100,000, had emerged. It was possible to launch a marine insurance association in 1837 which two years later began to take risks on vessels and cargo owned in Digby and Shelburne Counties as well as in Yarmouth County. While the Bank of Nova Scotia opened a branch in 1839, the period from 1858 to 1870 was the one for the founding of banks and marine insurance companies. But ideas as well as commerce were respected in the town. A Book Society, established in 1822, was transformed into the Milton Library in 1860. After 1830 there was a Literary Society and between 1831 and 1864 an Academy which was replaced by Yarmouth Seminary in 1864. The *Herald*, journalistic spokesman for the town, began publication in 1833.

Certainly, there was reasonable scope for entrepreneurial talent in Yarmouth and an active commercial community developed. During the 1870's the number of individuals involved in the town's businesses<sup>8</sup> reached a peak of 460, after a 100% increase during the 1860's. The number of large resident shipowners, however, reached a peak during the 1860's and then declined with a sharp downward turn during the 1880's. This designation is intended to identify a group of entrepreneurs definitely committed to owning ships. Therefore only those residents of Yarmouth between 1840 and 1889 who registered in total more than five hundred new tons of shipping over at least two decades have been included in the group. Seventy-four individuals met these criteria.<sup>9</sup> They increased from 20% of the town's commercial community in the 1840's to 25% in the 1850's, but then declined steadily thereafter.<sup>10</sup> While the number of owners was highest during the 1860's, the amount of tonnage that they registered was highest during the 1870's. The number of owners, vessels and tons all declined during the 1880's.<sup>11</sup> Moreover, the mean registered tonnage of vessels owned by these large shipowners rose from 465 tons in the 1840's to 1699 tons during the 1870's. In the 1880's the mean size of their vessels declined to 1262 tons.<sup>12</sup> This suggests that from 1840 to 1889 the risks of the shipowning entrepreneurs became concentrated in relatively fewer ships.

The decreasing percentage of resident shipowners in the commercial community after the 1850's apparently reflects that concentration of risk. Yet the size of that commercial community increased markedly during the 1860's and 1870's. For the purpose of further analyzing the town's businesses, seven sectors of activity<sup>13</sup> have been identified — fabrication, finance, merchandising, professions, trades, transportation, and utilities.<sup>14</sup> The overall pattern of establishments and dissolutions among businesses is instructive. Of the five areas that are strictly comparable — fabrication, finance, merchandising, trades, and transportation — the net formations among financial, merchandising and trading concerns were negative in the 1880's.<sup>15</sup> The figure was negative in the 1870's for fabricating concerns and in both the 1870's and the 1880's for those in transportation.<sup>16</sup> The most noticeably negative figure for the 1880's was in



merchandising because of the dissolutions among general traders and dealers as well as among commission merchants.<sup>17</sup>

Apart from the registration of new shipping, the shipowners entered into only six areas of entrepreneurial activity. None of them was in the professions. The proportion establishing businesses was highest in financial enterprises (71%) and lowest in trades (3%). They were involved in the formation of half of the utilities and one-third of the transportation firms.<sup>18</sup> On the other hand, half of the businesses initiated by shipowners were in merchandising, one of five in transportation, one of eight in finance, one of ten in fabrication, and very few in trades and utilities.<sup>19</sup> Of these shipowners' enterprises, 80% of merchandising was in general business; half of the transportation starts were in ship chandling; and in finance, two-thirds of the establishments consisted of insurance companies.<sup>20</sup>

This preliminary analysis of Yarmouth's commercial community reveals that after the 1860's the number of shipowners declined both absolutely and relative to the number of other entrepreneurs. Furthermore, the net formation of businesses decreased rapidly from that decade to become negative during the 1880's.<sup>21</sup> Of those sectors in which shipowners were important (merchandising and transportation) net formations were negative during the 1870's and 1880's. Does this evidence suggest that the opportunities for entrepreneurs were decreasing or that, as in the case of investment in shipping, an increasing scale of investment was required? This question of economic decline or concentration of investment can be answered in part by analysing dissolution rates and average life<sup>22</sup> of each category of enterprise by decade.<sup>23</sup>

Between 1840 and 1889, the largest number of businesses was initiated in merchandising (284) with closures at 96% of that number. Similar high rates of dissolution are to be found among fabricating firms, professions and trades.<sup>24</sup> Among financial enterprises it was lower (64%) and among utilities it was 22%. Financial institutions proved to be the most enduring. One insurance mutual – the Yarmouth Marine Insurance Association – lasted for forty-six years.<sup>25</sup> For banks the average life was twenty-three years. The utilities companies were also stable commercial operations. On average, the life span was fifteen years.<sup>26</sup> The shorter average lives were found in fabricating, merchandising, the trades and the professions, matching their high dissolution rates.<sup>27</sup>

In the sector directly related to shipping, transportation, the level of closures was about half the level of starts. However, when from this area enterprises related to wooden ships<sup>28</sup> were isolated, their rate of dissolution proved to be about 100%.<sup>29</sup> Among other transportation enterprises the average life span was thirteen years. Despite the almost 100% dissolution rates during the period, the businesses related to wooden shipbuilding as well as ship chandling firms varied between an average life of fifteen years in shipbuilding and four years in sailmaking establishments.<sup>30</sup>

Among shipowners' businesses the rate of dissolutions generally matched that of the wider business community in finance, merchandising, trades and utilities. However, in fabricating, the dissolution rate was low for owners whereas for other businessmen it was



high. The number of closures for owners' enterprises in transportation was high as a result of the high rate of closure for ship chandling partnerships. Among steam shipping companies and railways there was more stability.<sup>31</sup>

The foregoing analysis of dissolution rates by category reveals a prevailing instability in most sectors of business activity. A consideration of average life confirms it. However, for enterprises related to wooden shipping, the dissolution rate was high while the average lives were not especially short. All these categories stood in contrast to the dissolution rates and longevity among financial, general transportation and utilities ventures.

When the seven sectors of activity are subjected to a decadal analysis, we find a rising rate of dissolutions per decade in merchandising and trades. For the professions, closures greatly exceeded establishments between 1860 and 1879, while for fabrications there was a match of starts and dissolutions from 1850 to 1879.<sup>32</sup> In addition, the decadal analysis reveals a sharp increase during the 1880's in dissolutions among financial institutions despite a respectable average longevity. This resulted from the closure of all six local marine insurance companies.<sup>33</sup> In banking, a peculiar distribution of dissolutions resulted from the two abortive attempts to found banks, one in 1859 and the other in 1871.<sup>34</sup> For transportation businesses, only during the 1860's was there a marked rate of dissolution (66%).<sup>35</sup> But if the businesses associated with wooden sailing ship operation are taken separately, the rate of dissolution was low during the 1850's and rose to 160% during the 1870's.<sup>36</sup> This peak resulted from closures in sailmaking and shipping apparatus firms.<sup>37</sup> In total, net formations of businesses were negative in the 1880's, with two positive peaks during the 1840's and 1860's. Both the figure for the 1880's and the first positive peak reflect the establishments and the dissolutions in merchandising. During the 1860's the positive peak in net formations was the result of increased activity in all areas.<sup>38</sup>

The decadal analysis emphasizes the differentiation among the enterprises carried on by Yarmouth's commercial community. Except among utilities and financial enterprises, until the 1880's there was a generally increasing rate of dissolutions. In transportation there was a marked contrast between the increasing instability among firms concerned with wooden sailing ship operation and the stability of steamship and railway companies. Since those enterprises organized as partnerships tended to be the most unstable ones while the businesses with a formal capital structure tended to be relatively stable, the financial form of the business seems to be the crucial factor in its stability. Of course, many of the closures among partnerships were in fact reorganizations involving the same individuals in both new and old firms. Nevertheless, it is noteworthy that among partnerships, dissolutions overtook starts during the 1880's. It is equally noteworthy that not until then was there a marked turn to alternative methods of organizing the capitalization of businesses.<sup>39</sup>

Since the shipowners followed the trend to larger scale investment in terms of vessel size, their place in other business investment trends is important. A closer analysis of sectoral and decadal distribution of commercial activity revealed that there were areas with more than "normal" investment or disinvestment.<sup>40</sup> Thus during the 1840's, despite



the business provenance of many owners, they did not influence the rise and fall of merchandising firms, but they did fail to invest in the lagging sectors of finance and transportation. For the latter area during the 1850's dissolutions were low and ship buyers were investing in steam shipping, wharves and ship supplying, all logical extensions of the link between merchandising and the vessels carrying the merchandise. In the 1860's, when both transportation starts and closures were high, for shipowners' businesses the establishments were marginally ahead of closures. In addition, as a logical accompaniment to the decadal increase of 192% in new tonnage registries,<sup>41</sup> they extended their investments in marine insurance companies.<sup>42</sup>

Up to this point the business initiatives of the shipowners centred around their primary role. However, with the establishment of banks during the 1860's, they became innovative in new areas of enterprise. Using available technologies, they moved to provide Yarmouth with its utilities from the 1860's to the 1880's.<sup>43</sup> Paralleling the last decade of expanding vessel registration (the 1870's<sup>44</sup>), owners helped to introduce the railway to the town, but they also invested in harbour improvements in the face of the prevailing low level of starts in transportation. They also invested in metal works despite a high level of dissolutions among fabricating firms. As ship registrations dropped off during the 1880's they closed out their marine insurance firms and entered other financial ventures, thereby contributing to a high level of both establishments and dissolutions in the sector. Some of them shifted to new businesses in textile manufacturing and iron working. There were a small number of dissolutions in fabricating.<sup>45</sup>

In summary, the pattern of business investment in Yarmouth corresponds to the decrease in the number of shipowners after the 1860's; and parallels the decline in the number of businessmen and the decline in new tonnage registered in the 1880's. The shift from partnerships to the more formally capitalized enterprises by the 1870's and the 1880's apparently indicates that there was no decline of economic activity. Rather, there is evidence to suggest that an increasing scale of investment was required in business activities in order to provide stability in operations. This point is strengthened by a further consideration of the shipowning fraternity in both their primary role and in their movement to other kinds of investment.

Among individual owners there was a distinct concentration of tonnage registered. If the level of activity among the seventy-four individuals in the sample is considered, eighteen (24%) registered new shipping in each of four decades; thirty (41%) in three decades and twenty-six (35%) in two. For the whole period from 1840 to 1889 forty-one registered more tonnage than the mean in one or more decades and their combined "above average" tonnage constituted 74% of the tonnage placed on registry by Yarmouth's resident owners.<sup>46</sup> The proportion of owners registering more than the mean tonnage per decade rose from 21% with 68% of the tonnage during the 1840's to a high of 40% with 80% and 81% of tonnage in the 1860's and 1880's.<sup>47</sup> Evidently, the number of above average owners was increasing more quickly than the above average tonnage. But this spreading of above average tonnage among individuals was limited. Nineteen of the forty-one appeared in two consecutive decades<sup>48</sup> and only seven appeared in three



consecutive decades. These seven provided some continuity of registering activity, since three were active between 1840 and 1869; one between 1850 and 1879; and three between 1850 and 1889.<sup>49</sup> The idea of continuity is reinforced because this group was drawn from two generations of two families – the Killams and the Lovitts, accompanied by one outsider, Loran E. Baker.<sup>50</sup>

Obviously during a period of over fifty years, more than one generation of individuals was involved. Of the seventy-four in the sample, forty (54%) were drawn from fourteen families and placed 153,588 tons or 64% of the total tonnage on registry.<sup>51</sup> In terms of tonnage registered per family, the Killams led during the 1840's and 1850's while the Lovitts were dominant during the next three decades.<sup>52</sup> An additional eleven individuals can be included in this network of shipowning families because of their involvement in business partnerships.<sup>53</sup> Therefore, of the entire sample of shipowners, seventeen appear to have been "isolates" and only three of these were "above average" owners.<sup>54</sup> In all fifty-seven of the seventy-four (77%) were related by blood, marriage and commerce and they placed 89% of the tonnage on registry.<sup>55</sup> Clearly, both concentration and continuity were reflected in the family groups among the resident shipowners of Yarmouth. The two most obvious and important of these family "connections" were the Killams and the Lovitts.<sup>56</sup>

The beginnings of the "Killam Connection" lay in marriages which took place between 1819 and 1848.<sup>57</sup> During the 1840's Samuel Killam and his brother Thomas, a director of the marine insurance association, were two of the five "above average" shipowners of Yarmouth, while their brother-in-law, Amasa Durkee, a trader in general goods, was just beginning to acquire new tonnage.<sup>58</sup> At the end of the decade (1849), Durkee reorganized his business and Thomas launched a ship chandling firm with his son George and his brother-in-law, William K. Dudman.<sup>59</sup> The Killam Connection provided six of the twelve "above average" owners and three "below average" ones during the 1850's.<sup>60</sup> In addition to merchandising, Amasa Durkee acquired two insurance directorships. Retaining his insurance directorships and his ship chandling partnership, Thomas Killam entered a steam shipping venture with his brother Samuel and their new nephew by marriage, Nathan Moses. The oldest son of Thomas, George Killam, was involved in the preliminary planning for the Mountain Cemetery, a town utility launched during the 1860's.<sup>61</sup>

In that decade, even though the list of shipowners lengthened, eight of the twenty-five "above average" as well as three "below average" shipowners were members of the Killam Connection.<sup>62</sup> The 1860's opened with the formation of a commission business by Nathan Moses and three nephews of Thomas Killam. After the dissolution of Thomas Killam and Company in 1862, George Killam established his own ship chandling firm while William K. Dudman went on to enter a partnership dealing in general goods. One result of a reorganization in the affairs of George Killam's uncle, Nehemiah K. Clements, was the formation of a steam shipping company.<sup>63</sup> The entrepreneurial activities of the connection continued to widen as its members helped to establish a shipping registry, two new marine insurance companies, the gas and cemetery companies



and the Bank of Yarmouth.<sup>64</sup>

The 1860's closed with an event crucial for the development of the Killam Connection. This was the death of Thomas Killam in 1868, preceded by the death of his son George in 1867. A good portion of Thomas Killam's estate was passed on to the four remaining sons.<sup>65</sup> Of these, Thomas organized a steam tug company and formed a commission business with his brothers Frank and John H., while the fourth son, Samuel Jr., entered a hardware business. Following the lead of their father, John H. Killam and his cousin, Benjamin Killam Jr., acquired directorships in the Exchange Bank.<sup>66</sup>

Samuel Killam Sr. ceased acquiring tonnage during the 1870's, leaving only Thomas Killam Jr. and his cousin, John K. Ryerson, among the twenty "above average" shipowners.<sup>67</sup> The family formation of the connection continued with the marriage of three sons and two daughters of Thomas Killam Sr. One of the latter marriages involved a nephew of Hugh D. Cann and the other, the business partner of William K. Dudman.<sup>68</sup> The disappearance of Benjamin Killam Jr. in 1876 led to the reorganization of the Ryerson and Moses business. Samuel Killam Jr. sold his interest in the hardware partnership and turned to the establishment of an iron works. The brother, sons, nephews and in-laws of the deceased Thomas Killam continued their links to cemetery, gas and insurance companies as well as with the Exchange Bank, but relinquished that with the Bank of Yarmouth.<sup>69</sup> In 1871 Samuel Killam Sr. and two nephews were involved in a fruitless attempt to found the Western Bank. One of the nephews, Samuel M. Ryerson, and his cousin, Frank Killam, M.P., became directors of the Western Counties Railway. Frank and Ryerson's brother-in-law and business partner, N. Moses, took directorships with the new marine railway company.<sup>70</sup>

Of the dozen "above average" shipowners of the 1880's, Thomas Killam Jr. was the only one of his connection who qualified and was also the only one registering tonnage.<sup>71</sup> The firm of Ryerson and Moses was dissolved in 1881 and Samuel M. Ryerson invested in a book shop. Killam Brothers continued as commission merchants. As the insurance companies were closed out, the Killam Connection maintained established directorships in banking, cemetery, gas and railway companies, while Samuel Killam Sr. and Bowman Corning entered new steamship companies.<sup>72</sup> The innovative drive of the group was maintained as new ventures in small manufacturing and secondary financial enterprises were coupled with investments in the new technologies — telephones and textile manufacturing.<sup>73</sup>

As the Killam Connection began to withdraw from ship buying during the 1860's, the Lovitt Connection was increasing investment in this area as well as investing in alternative business activities. During the 1850's, the Lovitt brothers, Andrew and John W., were "above average" shipowners. Another brother had purchased tonnage with Samuel Killam during the 1840's, and in 1855 John W. Lovitt became a director of the steamship company along with the leading Killams. He also entered, very briefly, a general goods partnership with his son-in-law, Joseph Burrill.<sup>74</sup> Although the appropriate marriages date from the 1850's, the Lovitt Connection did not begin to develop until the 1860's. In that decade, John W. Lovitt, Andrew's two sons and two Cann relatives



constituted six of the twenty-five "above average" shipowners. Ten of their relatives, some acquired by marriages during the 1850's and 1860's, were "below average."<sup>75</sup> While the Lovitts did not form business partnerships, their relatives, Robert Guest, William Law and Law's cousins, the Burrill brothers, did so. In this decade, like the Killams, the Lovitts went into marine insurance, the cemetery and gas companies and the Bank of Yarmouth.<sup>76</sup>

By the 1870's eight of twenty-five "above average" shipowners were from the Lovitt Connection while six, including John W. and Andrew Lovitt, the founding members of the group, were in the "below average" category.<sup>77</sup> Before his death in 1874, John W. not only reduced his registrations of ships but also gave up directorships in insurance and the cemetery company. Hugh Cann acquired the bank directorship of John W. Lovitt while his brother became one of two directors of the Exchange Bank from the Lovitt Connection. Cann and his cousin helped to establish the marine railway and the Western Counties Railway. Jacob Bingay, the new son-in-law of John W. Lovitt, was added to the connection as an insurance director.<sup>78</sup> William Law's business continued to develop while Thomas Guest took over that of his father. Thomas' brother, George H. Guest, married a granddaughter of John W. Lovitt, thereby strengthening the links of the connection.<sup>79</sup>

In the next decade family formation proceeded apace when James Burrill, an "above average" shipowner, the son of Hugh Cann and the son of Augustus F. Stoneman, an erstwhile shipowner, all wed Lovitt women. In addition, the niece of Zebina Goudey, shipowner and sailmaker, married a son of William D. Lovitt, the prominent shipowner of the decade and the period.<sup>80</sup> This is the more significant since members of the Lovitt Connection constituted eight of twelve "above average" and five "below average" shipowners. Although Thomas Guest closed his business, Law's commission firm and the Burrills' trading company continued to flourish.<sup>81</sup> The career of Jacob Bingay was advanced when he acquired a railway directorship with Hugh Cann, entered a life insurance company with Law, and a deposit and loan company with members of the Killam Connection. Cann, at this point a central figure in the connection, ventured into textile manufacturing along with his brother-in-law, William D. Lovitt, and Bingay. W.D. Lovitt, his cousin John, and H. Cann established a water company, while John's brother, James J. Lovitt, presided over the street railway company.<sup>82</sup> The insurance directorships of the Lovitt Connection disappeared and were replaced by an agency of Boston Marine Insurance, managed by William Law and Company. Law also acquired a directorship in the Mountain Cemetery Company. Zebina Goudey, besides being a short-lived insurance director, was also one member of a sailmaking partnership.<sup>83</sup>

As the evidence above makes clear, the thrust imparted by Samuel and Thomas Killam to the town's commercial development during the 1850's and 1860's was carried on by their Ryerson nephews, their in-laws and the sons of Thomas. After the 1860's the Killam Connection had ceased to consist of a group actively acquiring ships and had begun to play the role of innovators and investors in the town. In the case of the Lovitts, the period from 1860 to 1889 was marked by expansion in tonnage placed on registry and by a movement concurrently into other forms of investment, like their Killam



contemporaries. This is borne out in part by an examination of probate records. Of a sample of twelve shipowners who died between 1863 and 1892 for whom there are such records, five were from the Lovitt Connection and four from the Killam Connection.<sup>84</sup> The percentage of net worth of the twelve accounted for by shipping was 13%, while stocks and bonds constituted 17% and real estate 24%. The Killams and the Lovitts had approximately the same proportions of net worth in shipping and real estate as did the whole sample. However, only 8% of the Killams' net worth was in stocks and bonds compared to 24% for the Lovitts. The Lovitt Connection not only overtook the Killam Connection as shipowners but also surpassed them in the new kind of investments.<sup>85</sup> Both connections acquired real estate, perhaps as an expression of their faith in the town. Certainly its population growth does not suggest a boom.

In their primary role shipowners operated in a changeable business climate. Across the decades from 1840 to 1889 their risks increased with the size of their vessels, and investment was fixed in larger and larger units. Their mode of business organization – the partnership – proved to be highly unstable as evidenced by the rate of dissolution among firms. Yet few shipowners originated in areas of commercial activity where the rate of dissolution was really high. Instead they were associated with general merchandising and ship chandling, where firms had good average lives even though the dissolution rate was high. It was in merchandising that net formations were markedly positive during the 1840's and declined steadily until they were negative during the 1880's. At any rate, the resident shipowners of Yarmouth were in a risky business. It is noteworthy that none of the "above average" investors in sailing ships registered tonnage at that level for more than thirty of the fifty years under discussion.

It is not surprising, then, that shipowners were a declining species after the 1860's. In the previous decade they had begun to decrease as a proportion of the town population engaged in business, a group which by the 1880's was itself shrinking. The results were the negative net formations found during the 1870's and 1880's. After concentrating on acquiring new sailing tonnage during the 1840's and 1850's, the leading shipowners then began to place investments in related activities during the next two decades. By the 1870's new technologies were offering investment opportunities. Although the Lovitts expanded their sailing fleet even in the 1870's and 1880's, both Connections followed the same path – diversification and the spreading of investment. One of the difficulties encountered was to amass the necessary capital to install and operate gas lighting, railways, electric systems, and textile spindles. This difficulty was overcome by the adoption of the company organization to deploy that capital through the techniques of insurance and banking businesses.

In the acquisition of new sailing tonnage and in the operation of the town's commercial activities, the partners were often related. Partners in firms such as Ryerson, Moses and Company and William Burrill and Company often bought sailing ships together.<sup>86</sup> But such arrangements were too unstable a foundation for the new kinds of enterprise. Kin and connections were called upon to provide the financial backing for insurance mutuals and for joint-stock ventures such as banks, railways and manufacturing



concerns. The links of blood and marriage supplied continuity by recruiting new talent. Thomas Killam Sr. was replaced by Thomas Killam Jr. in shipowning and by his Ryerson nephews and his sons, John H. and Frank, in company directorships. The thrust of the Lovitt Connection passed from John W. Lovitt to his sons, John and James J., his nephew William D. and William's brother-in-law, Hugh Cann. By the 1880's John W.'s son-in-law, Jacob Bingay, was playing the role of company director but only registered 667 tons of new shipping.

It is evident that entrepreneurial skills were transferred from wooden ship operation to other areas of entrepreneurial activity. The leading shipowners could direct banks and railways and could apply their capital to textile manufacturing. Certainly, they were familiar with risk-taking before entering their new roles as innovators in the town's development. The importance of the shipowners in that role is equally evident.

#### NOTES

1. My thanks are due to David Alexander for his wise council and assistance in the preparation of this paper. They are due as well to Heather Wareham, Research Assistant with the Atlantic Canada Shipping Project. Needless to say, the content and the conclusions of the paper are the responsibility of the author.

2. See David Alexander, "The Port of Yarmouth, Nova Scotia, 1840-1889," in K. Matthews and G. Panting (eds.), *Ships and Shipbuilding in the North Atlantic Region* (St. John's, 1978), 77-103.

3. Alexander, 94.

4. Canada, *Census 1890-1*, I, 34.

5. The population of the town between 1840 and 1889 rose from about 2500 to 6100. In order to ascertain the number of "active male adults" in this population, certain estimates have been made. From 1861 to 1891, about half the population was female, according to sex ratios. For the same period, the county population between 21 and 70 years of age was about 45%.

The census does not provide age ratios for small urban centres. Therefore, the figures for 1840 are based upon projections from those for 1861 to 1891. While women did own shares in ships, were crew members, and did open businesses, the "active adult" population was basically male. The estimates of this population are: 1840: 563; 1861: 934; 1871: 1200; 1881: 1413; and 1891: 1370. Canada, *Census 1870-1*, and Nova Scotia, *Census 1861*, 66-7.

6. Robert M. Aitken, "Localism and National Identity in Yarmouth, N.S., 1830-1870" (unpublished Master's Thesis, Trent University, 1975), especially 63-102.

7. *Ibid.*, 11. For the information concerning the town's development, see George S. Brown, *Yarmouth, Nova Scotia: A Sequel to Campbell's History* (Boston, 1888), 349-356, 359, 362-386; James C. Farish, M.D., *Yarmouth, 1821* (Yarmouth, N.S., 1971), 39-43; and J. Murray Lawson (comp.), *Yarmouth, Past and Present: A Book of Reminiscences* (Yarmouth, N.S., 1902), 576-592, 612-644.

8. These analyses have been carried out on a file concerning types and locations of business; establishment and dissolution of businesses; the links between them; and the individuals involved in them. This file was built from information in Lawson, 485-508; Brown, 362-386; *Yarmouth Herald*, 1840-1873; D. McAlpine, *Provincial Directories*, 1868, 1870-1; *Maritime Provinces Business Directory*, 1877, 1880-81; Hutchinson, *Nova Scotia Directory*, 1864-5, 1866-7; and John Lovell, *Nova Scotia Directory*, 1871. This number includes directors in companies but not the shareholders. There will be some overlap of personnel because the totals were derived from the basic categories. Nonetheless, the analysis is indicative of shifts among the town's businessmen.

9. The individuals chosen are drawn from the sample for the Port of Yarmouth used in D.



Alexander and G. Panting, "The Mercantile Fleet and Its Owners: Yarmouth, Nova Scotia, 1840-1889," *Acadiensis*, VII, No. 2 (Spring 1978), 3-28.

10.	Number of Businessmen	Percentage Increases	Percentages of businessmen constituted by shipowners
1840's:	127		25 for 20%
1850's:	183	44	46 for 25%
1860's:	372	103	61 for 16%
1870's:	460	24	57 for 12%
1880's:	353	- 23	30 for 9%

11. The total tonnage was 239,707 and the total number of vessels was 1022. On average, each owner was involved with 14 new vessels while the mean tonnage for the entire period was 3239. The tonnage for the 1870's was 99,718 embodied in 321 vessels.

12.	Tonnage	Number of Vessels
1840's:	11849	117
1850's:	27187	177
1860's:	63099	313
1870's:	99718	321
1880's:	37854	94
Totals	239707	1022

The series for mean tonnage was: 1840's: 465; 1850's: 590; 1860's: 1034; 1870's: 1699; 1880's: 1262.

13. No attempt has been made to include political and religious activities in this selection.

14. These have been aggregated from the following categories of businesses. Fabrication: building supplies, clothing and textiles, general and miscellaneous manufacturing, metallurgy, mining, and woodworking. Finance: banking, insurance and related firms. Merchandising: books and stationery, commission merchants, dry goods, food, furniture, general goods, general jobbing and undertaking, hardware, merchants and traders. Professions: these include dentists, doctors, landscapers, lawyers, photographers and undertakers. Transportation: boat making, railways, sailmaking, shipbuilders, ship chandlers, shipping apparatus, steam shipping and wharving. Utilities: cemetery company, gas lighting company, skating rinks, street railway, telephones, town clock, water company, YMCA.

15. The figures for the professions and utilities do not lend themselves to the analysis used here. The net formations are constituted by the remainder when dissolutions of businesses have been subtracted from establishments.

16.	Trades	Fabrication	Finance	Merchandising	Transportation
1840's:	6	6	0	15	1
1850's:	1	0	1	6	5
1860's:	7	5	4	7	5
1870's:	8	- 1	2	3	- 5
1880's:	- 11	4	- 2	- 20	- 1

17. The net formations in these categories during the 1880's were: dealers in general goods: -2; merchants and traders: -1; and commission merchants: -2. This was 17% of the net formations (-30) for the 1880's.

18. The proportions of shipowners in the various areas were: fabricating: 10%; finance: 71%; merchandising: 15%; trades: 3%; and transportation: 30%.

19. The total number of businesses initiated by shipowners was 89. Of these, merchandising constituted: 43; transportation: 18; finance: 10; fabricating: 8; and 5 each in trades and utilities.

20. These figures are based on the file described above in note 8. In merchandising, 34 of 43



businesses were in general goods or commission merchandising, or were categorized as "general" merchants and traders. In transportation, 9 of 17 starts were in ship chandling, and insurance companies constituted 7 of 11 foundations in financing.

21. See notes 9 and 17 above.
22. The average lives were calculated for the basic categories laid out in note 14 above.
23. Dissolutions as a percentage of establishments constitute the rate of dissolutions.
24. The rates of dissolution are: for fabrication: 83; professions: 89; and trades: 94.
25. Brown, 371-3. The company with the shortest life, Oriental Insurance, survived for nine years.
26. Brown, 382, and Lawson, 586. If two abortive attempts to found banks are included, the average life among four companies was twelve years. Among utilities, the Yarmouth Gaslight Company existed for twenty-six years.
27. The average life spans were: fabrication: 6 years; professions: 5 years. No trade averaged over 7 years. In merchandising, the longest lived were 6 years. This span applied to commission merchants, dealers in general goods and traders.
28. Sailmaking, shipbuilders and auxiliary activities such as boat building, blockmaking and ship chandling.
29. The remaining enterprises in transportation had a rate of 36%. For the entire period, the rates of turnover were: shipbuilding: 100%; blockmaking and boat building: 111%; sailmaking: 88%; and ship chandling: 114%.
30. The average lives were 15 years in shipbuilding; 10 years in ship chandling; 8 for firms making boats, blocks and other apparatus; and 4 in sailmaking.
31. The ratios of turnover rates of shipowner enterprises to those of the general business community were as follows: fabrication, 13%:83%; finance, 70%:64%; merchandising, 102%:96%; trades, 100%:94%; transportation, 72%:48%; and utilities, 20%:22%. Shipowners were involved in both kinds of business — partnerships with a high rate of turnover and more formally capitalized companies with a slow turnover rate.

32.	Merchandising	Fabrication	Professions	Trades
1840's:	68%	40%	50%	68%
1850's:	84%	100%	57%	93%
1860's:	92%	78%	144%	84%
1870's:	96%	109%	139%	88%
1880's:	179%	60%	57%	165%

33. Brown, 363-373. There were closures among utilities only during the 1850's and the 1880's.
34. For 1859, see the *Yarmouth Herald*, March 24, 1859, and for 1871, see Lawson, 588. In the case of financial enterprises, there were other closures during the 1870's.
35. The figures for transportation are: 1840's: 20%; 1850's: 14%; 1860's: 66%; 1870's: 30%; and 1880's: 33%.
36. The rates of dissolution by decade are: 1840's: 75%; 1850's: 29%; 1860's: 85%; 1870's: 160%; 1880's: 100%.
37. But only the sailmaking firms had notably short average lives, i.e., four years.
38. Total net formations by decade were: 1840's: 28; 1850's: 13; 1860's: 28; 1870's: 7; and 1880's: -30. The net formations for general goods dealers during the 1840's were 11; for merchants and traders 1; and for commission merchants 1. For the 1860's, the net formations among ship chandlers were 17.
39. The application of alternative kinds of financing were: 1850's: 3; 1860's: 8; 1870's: 9; and 1880's: 15. The net formations for partnerships during the period 1840-1889 were as follows: fabrication: 8; merchandising: 18; professions: 4; trades: 11; transportation: 1. But it was during the



1870's and the 1880's that dissolutions began to outpace establishments, except for the professions where it was the 1860's and the 1870's.

40. This pattern of decadal and sectoral distributions was subjected to a chi-square test. In the case of establishments, the result indicates that it is not a random distribution (95% confidence). But the contingency coefficient statistic is moderately weak (.22). For dissolutions, the level of confidence in the lack of randomness is 99%, and the contingency coefficient is .26.

41. In addition to an increase in tonnage, there were fifteen additional shipowners to be interested in insurance.

42. Of three insurance companies established in 1858, 1861 and 1870, shipowners held 45%, 55% and 57% of the shares respectively. In the case of one founded in 1865, they constituted 53% of the shareholders. Further to the importance of shipowners in this category of enterprise, see Alexander and Panting, 25-6.

43. See Alexander and Panting, 25-6.

44. Perhaps it is significant that in addition to a dramatic drop in the rate of increase in registered tonnage, there was also the beginning of a decrease in the number of shipowners during the 1870's.

45. See Alexander and Panting, 25-6.

46. The total tonnage is that placed on registry by resident owners given above in note 12. Those individuals registering in four decades were: Loran E. Baker; Hugh D. Cann; Aaron and Zebina Goudey; Benjamin Hilton; Dennis Horton; Henry Lewis; Andrew, George H., John W., and William D. Lovitt; William H. Moody; Nathan Moses; Abel C. Robbins; Benjamin and William Rogers; Augustus F. Stoneman and Nathan Utley. Those registering in three were: Jacob V.B. Bingay; Israel L., James and William Jr., Burrill; Hugh E. and Lyman Cann; Nehemiah K. Clements; David Cook; Bowman Corning; James M. Davis; William K. Dudman; Amasa G. Durkee; Benjamin Ellenwood; Robert and Thomas Guest; Samuel J. Hatfield; Samuel and Thomas Killam; Joseph R. Kinney; Nathan B. Lewis; William Law; James J. and John Lovitt; John W. Moody; William Robertson; John K. Ryerson; Gilbert Sanderson; William H. Townsend; Norman J.B. Tooker and John Young. Those registering in two were: Thomas Allen; George S. Brown; John R. Corning; Benjamin Davies; Freeman Dennis; George B. Doane; Amasa Durkee; Arthur W. Eakins; Abram M. Hatfield; James A. Hatfield; Henry Heckman; Jonathan Horton; William T. Kelly; Thomas E. Kelly; George Killam; John Killam; Thomas Killam Jr.; John Murphy; James Murray Jr.; George H. Perry; Thomas Perry; Joseph R. Rogers; Samuel M. Ryerson; Edgar K. Spinney; James A. Sterritt and Nathan Utley Jr.

47. The percentages of owners registering above the mean tonnage per decade were: 1840's: 21%; 1850's: 27%; 1860's: 41%; 1870's: 35%; and 1880's: 40%. Their tonnage as a percentage of the totals for the decade were: 1840's: 68%; 1850's: 64%; 1860's: 81%; 1870's: 70%; 1880's: 80%.

48. Of the forty-one "above average" shipowners, the following appeared in two decades: 1840's and 1850's: Thomas Allen and E.W.B. Moody; 1850's and 1860's: Lyman Cann, Amasa Durkee, Andrew Lovitt and Nathan Moses; 1860's and 1870's: Hugh D. Cann, Freeman Dennis, George B. Doane, Aaron Goudey, Abel C. Robbins, William Rogers and Augustus F. Stoneman; 1870's and 1880's: William Burrill Jr., James A. Hatfield, Thomas Killam Jr., William Law, James J. and John Lovitt.

49. There were two Killams, two Lovitts and a Ryerson in this group. The pattern of concentration in ownership appears in the "above average" sample.

50. The genealogical information used in the paper is drawn from Clement V. Doane, "Yarmouth Genealogies written and presented to the Yarmouth Public Library and Museum," microfilm at the Maritime History Group, Memorial University of Newfoundland. The older generation (1840 to 1869) were: Samuel and Thomas Killam and John W. Lovitt. The link between generations (1850 to 1879) was John K. Ryerson, a nephew of the Killams. George H. and William D. Lovitt, nephews of John W., constituted the younger generation (1860 to 1889), along with Baker.

51. The designation "family" has been applied to individuals with the same surname drawn from



one or more collateral nuclear families. The following are in family groups:

Burrill: Israel L., James and William Jr., brothers.

Cann: Lyman, son Hugh D. and nephew Hugh E.

Corning: Bowman and nephew John R.

Goudey: Aaron and nephew Zebina.

Guest: Robert and son Thomas.

Hatfield: James A. and cousins Abram M. and Samuel J.

Horton: Dennis and son Jonathan.

Killam: Samuel and Thomas, brothers, nephew John and two sons of Thomas, George and Thomas Jr.

Lewis: Henry and son, Nathan B.

Lovitt: Andrew and his sons, George H. and William D.; John W. and his sons, James J. and John.

Moody: E.W.B. and William H., brothers, and John W., son of E.W.B.

Rogers: Benjamin and William, brothers, and Joseph R., son of Benjamin.

Ryerson: John K. and Samuel M., brothers.

Utleys: Nathan and nephew, Nathan Jr.

52. The tonnages and percentages of total tonnage per family were as follows: Lovitts: 48927, 32%; Killams: 23504, 15%; Goudeys: 12852, 8%; Burrills: 12157, 8%; Canns: 10554, 7%; Hatfields: 8225, 5%; Ryersons: 8126, 5%; Moodys: 6804, 4%; Rogers: 6572, 4%; Hortons: 4824, 3%; Lewises: 3589, 2%; Cornings: 3006, 2%; Utleys: 2694, 2%; and Guests: 2054, 1%. The rank order per decade among the families was: 1840's: Killams, Moodys, Lovitts, Rogers, Utleys, Canns, Hortons, Guests, and Goudeys. 1850's: Killams, Lovitts, Moodys, Ryersons, Canns, Cornings, Utleys, Rogers, Goudeys, Hortons, Guests, Cornings, Burrills, and Lewises. 1870's: Lovitts, Goudeys, Burrills, Hatfields, Canns, Killams, Ryersons, Rogers, Moodys, Lewises, Hortons, Cornings, Guests, and Utleys. 1880's: Lovitts, Burrills, Hatfields, Killams, Lewises, Canns, Goudeys, and Rogers.

53. George S. Brown (1), Abel C. Robbins (2) and William H. Townsend (3) were in general goods merchandising together during the 1840's, while Robbins and Arthur W. Eakins (4) were in the same grocery business during the 1870's and 1880's. Eakins and Edgar K. Spinney (5) were partners in hardware during the 1870's, and both held partnerships in a manufacturing concern during the 1880's. Loran Baker (6) and John Young (7) were in partnership as general merchants between 1855 and 1864. Young, John R. Corning (8) and Joseph R. Kinney (9) were partners in a fishery supply business between 1867 and 1876. Along with Aaron Goudey, Augustus F. Stoneman (10) bought out the Commercial Wharf Company in 1866 and went on to form A.F. Stoneman and Company with Norman J.B. Tooker (11) from 1871 to 1876.

54. The seventeen were: Thomas Allen, David Cook, James M. Davis, Benjamin Davies, Amasa G. Durkee, Benjamin Ellenwood, Henry Heckman, Benjamin Hilton, William T. Kelley, Thomas Kelly, John Murray Jr., John Murphy, George H. and Thomas Perry, William Robertson, Gilbert Sanderson and James A. Sterritt. The three "above average" owners were: Thomas Allen, Amasa G. Durkee and John Murphy.

55. The forty members of families, their six in-laws and eleven business associates placed on registry 213,966 tons. The three "isolates" who were also "above average" owners registered 12,365 tons or 5% of the total tonnage of the shipowners. The fourteen "below average isolates" placed 13,376 tons (6%) on registry.

56. A "connection" is a group of individuals composed of the members of collateral families, in-laws and business associates.

57. Thomas and Benjamin Killam, brothers, married Corning women in 1817 and 1823. Their sisters, Lois and Jane, married Stephen D. Ryerson and Elder C. Cann (brother of Lyman C. Cann) respectively in 1819 and 1829. The Durkee-Killam link was established in 1836 when Amasa Durkee and Samuel Killam married one another's sisters. Thomas Killam's second marriage occurred in 1849, when he married Elizabeth Gale Dudman, sister of William K. Dudman. Thomas' niece married James D. Cann, nephew of Lyman D., in 1842, and his son George married a daughter of Reuben Clements, brother of Nehemiah K., in 1848.



58. The tonnages acquired were: Thomas: 1947; Samuel: 1671; and Durkee: 314. Thomas was first among shipowners by tonnage and Samuel was third for the decade.
59. This was Killam and Company.
60. The "above average" shipowners and their tonnage, in rank order were: Thomas Killam: 3597; Samuel Killam: 1838; John K. Ryerson (nephew): 1430, and Bowman Corning (nephew): 894; Amasa Durkee (brother-in-law): 881; and Nathan Moses (brother-in-law of John K. Ryerson): 746. The "below average" owners were: Nehemiah K. Clements: 500; his nephew, George Killam: 486; and William K. Dudman, brother-in-law of Samuel and Thomas Killam, 387.
61. Durkee served as one of seven directors of both the Yarmouth Marine Insurance Association (1837) and the Acadian Insurance Company (1858). The Killams and Moses were three of five directors of the Yarmouth Steam Navigation Company (1855). George Killam was on the site committee of the cemetery.
62. The "above average" owners and their tonnage in rank order were: Samuel Killam: 4424; Thomas Killam: 3530; John K. Ryerson: 2116; Nehemiah K. Clements: 1761; Samuel M. Ryerson: 1405 (brother of John K.); William K. Dudman; 1380; and Nathan Moses: 1250. The "below average" owners were: George Killam: 537; Bowman Corning: 355; and John Killam: 270.
63. Ryerson, Moses and Company, established in 1860, consisted of Moses, the Ryerson Brothers (John K. and Samuel M.) and Benjamin Killam Jr., son of Benjamin. Dudman became a partner in George A. Hood and Company (1866-1877). Clements founded the Yarmouth and Boston Steamship Company in 1865.
64. From 1860 to 1865, Amasa Durkee and Thomas Killam were two of seven Acadian Insurance directors, when they were replaced by Nathan Moses. Benjamin Killam and William K. Dudman were among the seven directors of the Commercial Insurance Company (1861). Of John K. Ryerson, Bowman Corning and John Killam, three cousins, the first two were members of a board of seven directing Atlantic Insurance (1865) while the third was the broker. George Killam, one of ten Mountain Cemetery Directors in 1860, was joined by John K. Ryerson and Nathan Moses in 1865. The Yarmouth Gas Company (1863) had Samuel Killam, his nephew George, and Nathan Moses among five directors. Thomas Killam and John K. Ryerson were two of five directors of the Yarmouth Register of Shipping (1864). When the Bank of Yarmouth was launched in 1865, Thomas Killam was one of five directors and remained one until his death in 1868.
65. The will and warrant of appraisement reveal that each of Thomas Killam's four sons inherited about \$22,500.
66. Thomas Killam Jr., with his brothers Frank and John H., constituted Killam Brothers, while Thomas and Joseph R. Kinney, another shipowner, were President and Secretary-Treasurer of the Yarmouth Steam-Tug Company, respectively. Samuel Killam Jr. was a partner in Killam, Crowell and Company. John H. and Benjamin Killam Jr. were two of seven directors of the Exchange Bank (1869).
67. Thomas Killam Jr. held 2640 tons while Ryerson held 2484 tons. The "below average" owners and their tonnage in rank order were: Nathan Moses: 1571; John Killam: 1002; William K. Dudman: 435; N.K. Clements: 404; and Bowman Corning: 330.
68. In 1872 Samuel Jr. and John H. married two daughters of Yarmouth merchant George R. Smith. Frank Killam and George A. Hood, partner of William K. Dudman to 1871, married one another's sisters. In 1875 Elizabeth Killam, daughter of Thomas Sr., married James H. Cann, son of Lyman III.
69. Benjamin Killam Jr., was one of seven directors of the Exchange Bank (1874), and with Bowman Corning and Nathan Moses was among eleven directors of the Mountain Cemetery Company. In 1876 Ryerson, Moses and Company, commission merchants, became Ryerson and Moses, general traders, without Benjamin Killam Jr. Samuel Killam Jr. became President of Yarmouth Iron Works in 1879 with William H. Moody, another shipowner, as Secretary-Treasurer. Samuel Killam Sr. and Nathan Moses were two of eight directors of the Yarmouth Gas Company. Moses, William K. Dudman and Samuel M. Ryerson were directors of Acadian Insurance, Commercial Insurance and the Yarmouth Marine Insurance Association, respectively. John Killam continued as broker of Atlantic



Insurance while his cousins, Bowman Corning, John H. Killam and John K. Ryerson, were among seven directors in 1870 and his brother, Benjamin Jr., joined the board in 1875. Thomas Killam Jr. and John R. Corning, nephew of Bowman, were directors of Pacific Insurance (1870) and Oriental Insurance (1874), respectively. Benjamin Killam Jr. was among seven directors of the Exchange Bank (1874).

70. The three of five Western Bank directors were Samuel Killam, Samuel M. Ryerson and Thomas Killam Jr. Besides the Marine Railway Company, Moses was one of eight directors of the Building and Loan Society.

71. Killam registered 1562 tons during the 1880's.

72. During 1876 Ryerson became a partner in Crosby and Ryerson. John H. Killam was one of five directors of the Exchange Bank while Bowman Corning and Nathan Moses were two of ten cemetery directors. Samuel Killam Sr., Moses, Bowman Corning and Thomas Killam Jr., his nephews, were among eight gas company directors. In 1880 Moses, Corning and Samuel Killam Jr. were three of five directors of the marine railway. Only Corning remained in 1885. Samuel Killam Sr. and Corning were the only shipowners of seven directors of the Nova Scotia Steamship Company and the Yarmouth Shelburne Steamship Company, respectively.

73. Nathan Moses continued as a director of the reorganized building and loan society (Building Society, 1880). Samuel Killam Sr., Thomas Killam Jr. and Bowman Corning were three of eight directors of the Duck and Yarn Company (1883) but Thomas relinquished his post the next year. Samuel M. Ryerson was one of five directors of the Carleton Telephone Company (1884) while his cousin, Thomas Killam Jr., was one of three for Yarmouth Telephones (1882). John K. Ryerson and cousin John H. Killam became directors in the Marshalltown (Digby Co.) Brick and Pottery Company (1884) and the Milton Manufacturing Company, respectively. Thomas Killam Jr. and cousin Bowman Corning were among six directors of the Cooperative Deposit and Loan Company (1885).

74. John W. registered 2313 tons and Andrew 956. Joseph B. Lovitt was Samuel Killam's partner. John W. Lovitt was a director of the Yarmouth Steam Navigation Company (See note 67 above) and a partner in Lovitt and Burrill (1852-1855).

75. The "above average" owners and their tonnage in rank order were: John W. Lovitt: 2714; William D. Lovitt: 2711; Lyman C. Cann: 1628; Hugh Cann: 1483; George H. Lovitt: 1396; and Andrew Lovitt: 1128. The "below average" owners were: James J. Lovitt: 940; John Lovitt: 704; Robert Guest: 602; Thomas Guest: 304; Hugh E. Cann: 171; William Law: 140; Israel L., James and William Burrill: 132 each; and Jacob Bingay: 62. During the 1850's Hugh Cann, son of Lyman C., married Andrew Lovitt's daughter (1851), while John W. Lovitt's daughter married Joseph Burrill (1852), uncle of William Law as well as of I., J. and W. Burrill. In 1860 John W.'s son, John, married a daughter of Robert Guest and a daughter married Jacob Bingay in 1868.

76. The partnerships associated with the Lovitt Connection were Robert Guest and Son (1862-1866) and Thomas Guest (1866-1875), jewellers and watchmakers; Law and Porter (1862-1868), general goods; Law, Porter and Company (1868-1869), commission merchants; and William Law, commission merchant (1869-1872); and William Burrill and Company (1869-1898), general traders. The connection contributed four of seven directors to the Commercial Insurance Company (1865): Andrew and John W. Lovitt, their brother-in-law Robert Guest, and Lyman Cann III, brother of Hugh D. Cann. John W. Lovitt was also among seven directors of the Yarmouth Marine Insurance Association (1861) and his brother-in-law Hugh D. Cann was in the same situation with Atlantic Insurance (1865). John W. was among the eight directors of Yarmouth Gas Company as well as among the ten of the Mountain Cemetery and five of the Bank of Yarmouth.

77. The "above average" owners and their tonnage in rank order were: William D. Lovitt: 8071; George H. Lovitt: 5527; Hugh Cann: 3406; William Law: 2713; William Burrill: 2495; James J. and John Lovitt: 2490; and Jacob Bingay: 2209. The "below average" owners were: Israel and James Burrill: 1564; Hugh E. Cann: 1102; John W. Lovitt: 769; Thomas Guest: 666; and Andrew Lovitt: 639.

78. Among the seven directors of each of Commercial, Atlantic and Pacific Insurance were John W. and Andrew Lovitt and Lyman Cann III; Hugh Cann and George H. Lovitt; and William D. and John



Lovitt, cousins, respectively. John's brother, James J., and their relative, William Law, were two of seven on the board of Oriental Insurance (1874) where Jacob Bingay, brother-in-law of James J., joined them in 1877. Hugh Cann and John Lovitt were two of five while William D. Lovitt and Lyman Cann III were two of seven directors of the Bank of Yarmouth and the Exchange Bank, respectively. Hugh Cann took one directorship of seven of the Western Counties Railway in 1875. His cousin Hugh E. Cann was one of five founding directors of the Marine Railway Company (1870).

79. William Law and Company (1872-1880) included George H. Guest while his brother Thomas established Guest and Company (1874-1876).

80. James Burrill married Jane, daughter of George H. Lovitt, Hugh B. Cann married Augusta and Arthur P. Stoneman married Anne, daughters of John W. Lovitt. William L., son of William D. Lovitt, married Minnie Goudey, daughter of Zebina.

81. The "above average" shipowners and their tonnage in rank order were: William D. Lovitt: 6828; George H. Lovitt: 3002; William Law: 2963; William Burrill Jr.: 2469; James J. and John Lovitt: 2221 each; James Burrill: 2175; and Israel Burrill: 1494. The "below average" owners were: Zebina Goudey: 1185; Hugh Cann: 954; Jacob Bingay: 667; Hugh E. Cann: 255; and Thomas Guest: 9. Guest's business was dissolved in 1881, while William Law and Company was reorganized without George H. Guest in 1880, and went on to draw in Law's two sons in 1883 and a son-in-law by 1891.

82. Bingay and William Law constituted two of nine directors of the Mutual Relief Society of Nova Scotia (1881) and Bingay was one of six directors of the Cooperative Deposit and Loan Company (1885). With Hugh Cann and W.D. Lovitt, Bingay was one of five founding directors of the Yarmouth Woolen Mills (1881), and the three were part of a group of seven directors of the Western Counties Railway in 1885. W.D. Lovitt in 1883 was one of eight original directors of the Yarmouth Duck and Yarn Company. He was joined by Hugh Cann in 1884. Cann, W.D. and John Lovitt established a water company in 1879 and were three of five directors in 1886. The Yarmouth Street Railway was launched in 1888.

83. Law was one of ten directors of the Mountain Cemetery Company (1885). Goudey and William Burrill Jr. constituted two of seven Atlantic Insurance Company directors. In addition Goudey left the partnership of Goudey and Adams in 1881.

84. The five "Lovitts" and their death dates were: Lyman C. Cann (1868); John W. Lovitt (1874); Andrew Lovitt (1883); Zebina Goudey (1887); and James J. Lovitt (1892). The four "Killams" were: Thomas Killam (1868); Nehemiah K. Clements (1880); William K. Dudman (1883); and Samuel Killam (1887). The Warrants of Appraisement of these individuals are held by the Yarmouth County Office of Probate, Yarmouth, N.S.

85. Since half of the sample died during the 1880's and one in 1892, this is not surprising. During the 1870's, the "Killams" became a minority among the directors of banks and insurance companies but were dominant in railway enterprises, the cemetery company and other areas. By the 1880's, there was a balance preserved between the connections among railway directorships, utilities other than telephones, and textile enterprises. In secondary financial institutions and small manufacturing concerns, the Killams were dominant.

86. See Alexander and Panting, 24-5, for a discussion of this point.







18. DISCUSSION  
FOLLOWING THE PAPERS OF  
D. SUTHERLAND  
C. MILLER  
G. PANTING

MUISE asked if the cohesiveness found in the Yarmouth business community could be explained by the pre-Revolutionary origins of the town.

PANTING replied that the New England origins of the early settlers were obvious. Among the major shipowners of the nineteenth century, only one was really an "outsider" in the sense of not being directly connected to one of the prominent families. This suggests that the cohesiveness may well have had something to do with the particular business and social structures which evolved.

MUISE asked further if intermarriage and the apparent homogeneity of the community were reflected in religious homogeneity as well.

PANTING pointed out that Yarmouth was basically a Baptist-Methodist community. There were only a few prominent men who did not subscribe to these two denominations.

FISCHER noted that the members of the Halifax Board of Trade failed to engage in industrial planning and wondered whether there might be a parallel between that failure and the inability of business organizations in the region today to put forward blueprints for development. He further asked if there were structural problems which mitigated against such planning or whether this failure might be attributed to entrepreneurial factors.

SUTHERLAND pointed out that while there were some complaints from Board of Trade members about usurpation of the decision-making process by the Executive Committee, the fact that the Board enlarged its membership over the period might well indicate that the structure was sound. He suggested that it would be unwise to generalize from this information to larger problems without additional research, but noted that the members of the Board of Trade were not enthusiastic about experts or planners. They were advocates of laissez-faire, in spite of the fact that laissez-faire was not working to their advantage. Perhaps the core of their problem was that they had been colonialized; that is, they thought that policies which worked in a metropolitan situation could be applied locally. This might be an example of intellectual rigidity.

MCCANN suggested that the tendency to adhere to laissez-faire tenets while at the same time accepting federal money, particularly for improvements to the harbour, might be something of a paradox. He asked for information about the ways in which the Board of Trade tried to manipulate the federal power base.

SUTHERLAND replied that while the Board of Trade was certainly not ignorant of the potential of Ottawa, their first priority was to lobby local governments. Still, they did attempt to influence decisions made in the national centre. One of the problems they



encountered in this process stemmed from lack of money. Their records are full of complaints that they did not have as much money as did Saint John, for example, to hire lawyers and present briefs to the federal government to influence policy. Another complaint was that the quality of their political representation was not high enough. They felt that they were losing projects to Saint John because the New Brunswick delegation to Parliament was stronger.

MCCANN suggested that this might indicate that the failure of the Board of Trade was their inability to recruit those businessmen with strong political connections.

SUTHERLAND agreed and noted that there were severe limitations on the effectiveness of petitions when so many of the most influential businessmen failed to sign.

SAGER asked if there was any kind of planning that might have arrested the slide of Halifax into the status of hinterland to central Canada. Were there any sectors of the economy in which they might have invested to achieve, for example, an independent manufacturing base? Was there sufficient local capital to attain such a goal?

SUTHERLAND argued that there were strong pressures working against the establishment of an autonomous industrial base. The best that the Haligonians could have hoped for would have been to arrest the colonial process rather than reversing it or completely emancipating themselves from domination by the metropolis. Staple production, particularly the fishery, should not have been overlooked to the extent that it was. Such production would have generated exports, and perhaps this was what the developers ought to have concentrated upon. Had the developers concentrated upon manufacturing, they should have based their choice of industries upon local resources.

SAGER pointed out that the weight that can be attached to entrepreneurial failure in this process depends very much upon whether or not you can conceive of an alternative. If it was inevitable, given freight rates, for example, that the region develop as a hinterland to central Canada, then it is difficult to place much weight upon entrepreneurial failure.

SUTHERLAND suggested that the whole concept of underdevelopment is predicated upon a belief that a sufficient resource base exists. If that belief is absent, there cannot properly be a concept of underdevelopment.

SAGER commented that there were parallels that could be drawn with Newfoundland, which in this period was turning away from the maritime sector. This was certainly not an appropriate strategy for development.

SUTHERLAND agreed, and suggested that in the case of Halifax, many people seemed to have worked out an intuitive model for development which was perhaps derived from a North American continentalist perspective.

ALEXANDER asked whether the career of Sir F.W. Borden might be in any way typical of the patterns of other regional entrepreneurs, especially in that Borden ended up as basically a rentier.

MILLER responded by suggesting that it would be difficult to generalize from the career of one individual. He suggested that a different strategy would need to be adopted to answer that question.



ALEXANDER questioned whether the annual growth rate of Borden's assets (2.4%) was really all that poor for the period. This was not much slower than the rate of growth of the GNP over a similar time span.

MILLER accepted the comment but noted that had Borden placed his funds in a bank, he would probably have earned twice as much.

SUTHERLAND asked if Borden's involvement in the Halifax Tram Company, which Armstrong and Nelles had documented, was typical of his other activities.

MILLER denied that this was the case.

FISCHER noted that while entrepreneurs in Yarmouth seemed to maximize their potential, in many other parts of the region they were generally less successful at this. He wondered if any tentative hypotheses could be drawn from the Yarmouth experience.

PANTING replied that he felt that the answer had much to do with scale. Yarmouth was small enough to have been able to develop the cohesiveness alluded to earlier. But Yarmouth's experience may not have been an unqualified success: if the study were carried forward into the 1890s, it is likely that many of the enterprises would have been less successful.

FISCHER asked if it was possible to advance an hypothesis to suggest why the merchants in Yarmouth used funds generated from shipowning to branch out into "growth industries" while similar merchants in places such as Charlottetown and Saint John eventually became rentiers.

PANTING suggested that shipowning was an excellent training for the development of an entrepreneurial mentality.

FISCHER commented that the Morans of St. Martins, for example, behaved in a radically different manner. By the end of the 1870s they had given up not only on shipowning but also on industry in the region. Why was this family so different than similar families in Yarmouth?

PANTING argued that a starting point for the development of a theory to explain these divergent behaviours would require going back to the New England origins of the Yarmouth entrepreneurs. The basic values of that society were conducive to the production of entrepreneurs.

SUTHERLAND questioned whether such an explanation was valid because it elevated cultural factors above all others. Further, these people did occasionally question change, as their opposition to Confederation in 1867 demonstrated.

PANTING suggested that if they opposed Confederation, they may well have been correct.

SUTHERLAND countered that such a judgement might be inconsistent, since Confederation led to industrialization and to progress.

PANTING argued that Yarmouth entrepreneurs could have achieved "progress" in a number of ways, but reiterated his suggestion that the New England origins of the leading Yarmouth families had much to do with their success. He added that while Confederation might have been good for Halifax, it was not likely to have been beneficial to a town with an economy such as Yarmouth's.



SUTHERLAND pointed out that Yarmouth later accepted Confederation, supporting the National Policy and voting for Sir John A. Macdonald and the Conservatives in the 1880s.

PANTING suggested that having been forced into Confederation, Yarmouth people decided to make the most of it. Yarmouth citizens were pragmatists, much like the New Englanders from whom they were descended. They looked after their own interests throughout the period.

ALEXANDER concluded by noting that Eric Kierans, perhaps Canada's only remaining classical economist, has argued that a good index of entrepreneurship and economic health in a society are the rates at which firms enter and exit from an area. It seems that in the Atlantic region we do well in one half of that, but not so well in the other.



19. ENTREPRENEURIAL BEHAVIOUR  
AND THE DEVELOPMENT OF ATLANTIC  
CANADA: SOME COMMENTS FROM A  
DIFFERENT PERSPECTIVE

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# ENTREPRENEURIAL BEHAVIOUR AND THE DEVELOPMENT OF ATLANTIC CANADA: SOME COMMENTS FROM A DIFFERENT PERSPECTIVE

Chris Palmer

The title and subject matter for this paper were selected to reflect an aspect of historical-geographical research which assesses the role of the human behavioural components underlying the organization of entrepreneurial activities over any given period of time. The discussion will focus on treating "activity" as being the result of a series of behavioural operations undertaken by individuals who are directly, or indirectly, involved in that activity. When using such a perspective, events which occur within a particular social, economic or physical environment are explained, not in terms of non-sensate processes which appear to have an effect, but in terms of how "actors in the game"<sup>1</sup> reflect or interpret those processes in the context of their own lifestyle and behavioural milieu.

Despite the fact that my present interests lie within the field of human judgement theory, it occurs to me that the scheduling for this presentation as the final paper – and hence one which should, at least in part, pull the main threads of the conference together in summary form – is no accident. There are meeting grounds for the behaviouralist and the historical researcher – meeting grounds which have often been requested at times such as this – and it is with one such interface that this paper is concerned.

Figure 1 shows a classification of the structure and organization of history and several of the social science disciplines.

FIGURE 1

## ORGANIZATION OF DISCIPLINES

FIELD	CENTRAL ORGANIZING IDEA	CHIEF CONCEPTUAL UNIT
History	Time	Event
Geography	Place	Located Area
Political Science	Power	State
Economics	Scarcity	Market
Sociology	Social Structure	Social System
Anthropology	Culture	Cultural System
Psychology	Human Behaviour	Individual

Source: adapted from J.N. Rosenau, *International Politics and Foreign Policy* (New York, 1961), 24-35.



Although one might object to any of the definitions presented, the schema is used to show that cross-fertilization among disciplines occurs when research is based on more than one of the "central organizing ideas."<sup>2</sup> As this conference has brought together individuals who share a common interest in activities or sets of events occurring over a specified time period it is clear that the "central organizing idea" of history, to varying degrees, is the common denominator. The papers presented have demonstrated that perspectives arising from other disciplines, in addition to history, have been combined and used in the investigation of research problems; in many cases papers from the same discipline have weaker links than do papers from different disciplines. Wynn, Remiggi, and Ommer, for instance, are all geographers, and consequently they dealt with problems in a spatial context, yet Wynn's paper on the mechanics of linkage in the New Brunswick timber trade<sup>3</sup> operated within an economic framework; Remiggi's study of institutional control (or, rather, the lack of it) among the ordinary people of the Gaspé<sup>4</sup> dealt more with a socio-cultural system, while Ommer's study of the Jersey cod and carrying trade<sup>5</sup> touched on economic and political concepts at the macro-level, and social concepts at the micro-level. Thus, a greater similarity may be observed between Wynn's paper and the Felts' study of industrial entrepreneurship in three New Brunswick towns;<sup>6</sup> between Remiggi's paper and Sutherland's study of institutional control (or the lack of it) of the Halifax Board of Trade;<sup>7</sup> and between Ommer's paper and Panting's study of the Yarmouth shipowning families,<sup>8</sup> than among themselves, despite their common disciplinary roots. Similarly, inter-disciplinary constructs were evident in the other papers, and their units of focus often corresponded to the central organizing ideas set out in Figure 1.

It does seem that most, if not all, of the papers have also dealt, explicitly or implicitly, with the behaviour of individuals or small groups, which is the central organizing idea of psychology, and, by extension, behavioural geography, behavioural sociology, etc. In so doing these papers have examined research problems using the *individual* as the principal unit of focus. Much discussion has revolved around the stated intentions, attitudes and perceptions of various migrants, settlers and entrepreneurs; questions have been asked about the behavioural "make-up" of those individuals or groups. This is hardly surprising considering that the theme for this conference is inherently behavioural. Historical research on entrepreneurship and mobility will naturally generate discussion on how and why individuals decided to act as they did; that is, how they perceived existing conditions; how motivations to perform an activity affected the way it was carried out; how evaluations of various locational sites were performed; and how received information was interpreted by the individual, based on his personality and cultural background. Thus, it is possible that this paper might well act as a vehicle for both drawing together themes common to the papers presented and for examining the role of the behavioural perspective in historical research.



## DECISION-MAKING AND PAST BEHAVIOURS

It is a truism for those engaged in behavioural research that, to understand decisions and subsequent events, a knowledge of individual perceptions/cognitions and their effects on behaviour is essential. This conviction arises from the observation that decisions to modify an environment are based, not so much on the environment (or milieu)<sup>9</sup> *per se*, but rather on how it is perceived or interpreted by the decision-maker. Thus, individuals are viewed as decision-makers "...and their behavior is considered to be some function of their image of the real world, and they are regarded as complex information processing systems."<sup>10</sup>

Figure 2 shows Downs' interpretation of how research into geographic space perception could be schematized. Briefly, he maintains that the real world is represented as a source of information, which the individual sifts through a system of "perceptual receptors" and interprets by an interaction between his value system and his previous image of the real world. This image is then modified or updated as a result of the newly acquired information, and he may wish to relocate himself with respect to his new image. This requirement expresses itself as a decision. The decision could initiate a search process whereby he examines the real world information and hence repeats the cycle until a time/cost limitation, or the receipt of sufficient information, permits him to act. Alternatively, the decision could be to act without further search. Either way, behaviour may be enacted which expresses the decision, and will in turn affect the real world such that fresh information is received, and the cycle repeats itself. "The schema will, therefore, allow the space perception process to occur in a temporal as well as spatial context."<sup>11</sup>

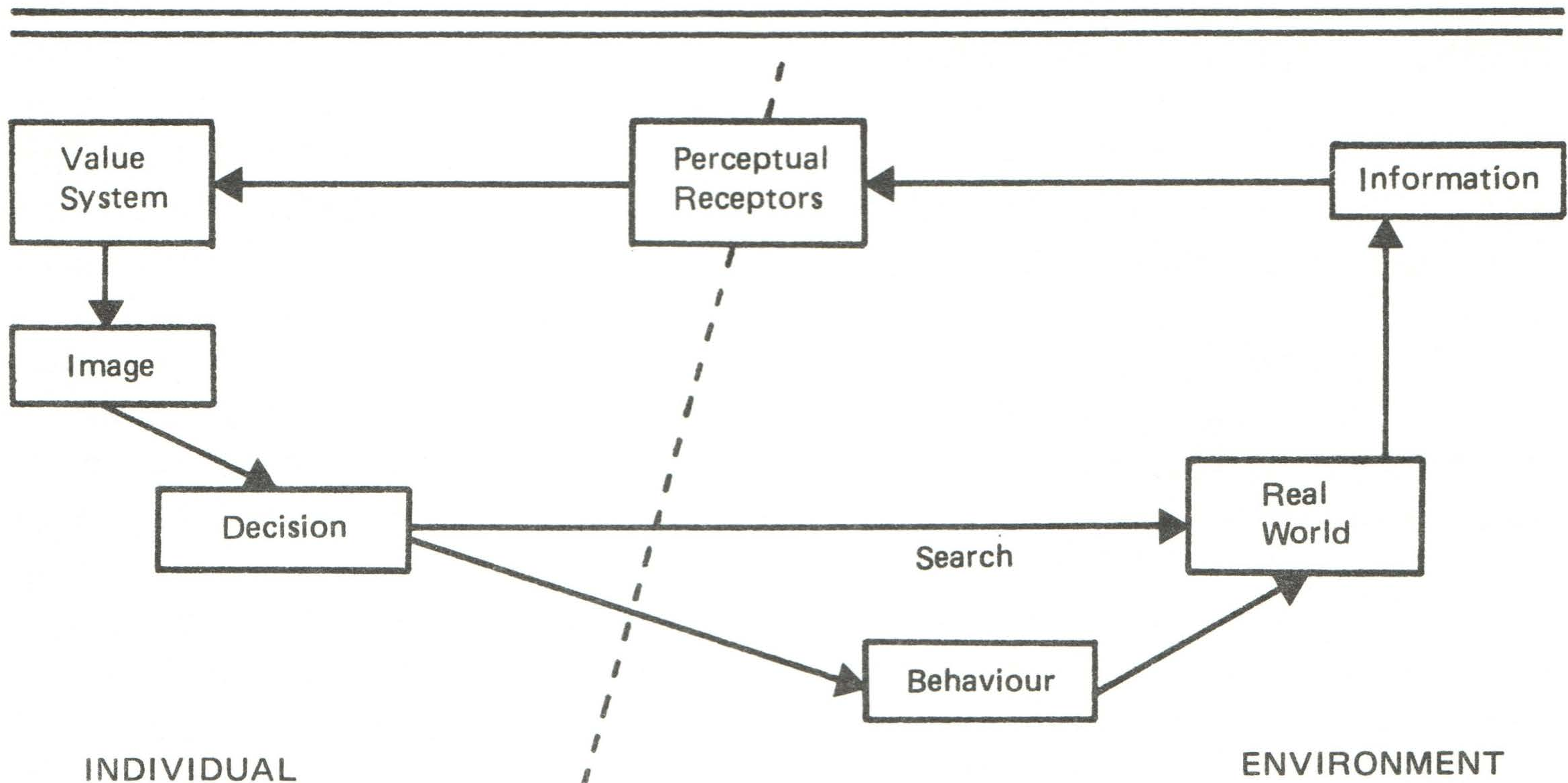
If we accept Downs' argument, we may treat those factors causing individuals to perceive differently the same segments of the real world as a set of "filters": physiological filters (our sense receptors), psychological filters (such as language, social class, needs, values, etc.) and "... some form of gestalt or pattern-seeking function."<sup>12</sup> Together they screen the constant input of information, producing an individual image of the real world. It is this "environment as perceived"<sup>13</sup> which is the basis from which behavioural studies can contribute to historical research. For instance, studies of political organizations could provide explanations of political developments in terms of the underlying behavioural components of the decisions taken by policy-making groups. Silberman's study of the Genrō (the principal policy-making body in the Meiji period of Japan) during the eighteenth century<sup>14</sup> followed this approach. He suggested reasons why the Genrō emerged in terms of the political, societal and cultural attitudes which governed the emergence of institutional power groups during that period of Japanese history. Silberman concluded by suggesting that an understanding of social and behavioural influences on political institutions may give clues as to how similar policy-making bodies evolved and operated elsewhere, and/or at different periods in time.

Historians and behaviouralists interested in past behaviours should concur wholeheartedly not only with Marc Bloch when he says that "it is human consciousness which is



Figure 2

### A CONCEPTUAL SCHEMA FOR RESEARCH INTO GEOGRAPHIC SPACE PERCEPTION



Source: R.M. Downs, "Geographic Space Perception," *Progress in Geography*, II (1970), 85.

the subject of history,"<sup>15</sup> but also with Peter Laslett when, in *The World We Have Lost*, he states that "if the future is to see the historian in partnership with the other social sciences, it is important that he should never lose sight of his humanity."<sup>16</sup> This sense of humanity is rather delightfully evident in Lawrence Stone's study of conflict in puritan society in England between 1540 and 1640, when he suggests:

The Puritans took a strongly moralistic, indeed medieval, approach to economic affairs, and the puritan merchant was consequently subject to almost intolerable psychological pressures as he strove to maximize profits and to conform to ethical doctrines of the 'just price'. On the other hand, insistent puritan indoctrination on self-discipline and the virtue of striving in the calling could hardly avoid producing personalities with strongly anal-erotic characteristics and a high achievement motive. Once the children were grown up, their obsession with thrift and hard, rationally planned work carried them inexorably along towards the corruptions of wealth and upward social mobility.<sup>17</sup>

In this one analytical statement at least five different behavioural components can be identified, culled from several of the social sciences. Such a garnering of different social theories is one of the delights of a behavioural study, and its synthesizing of ideas from various disciplines, as seen through the lens of behaviour, could become a valuable contribution to historical research.



## BEHAVIOURAL THREADS IN RESEARCH INTO EASTERN CANADIAN ENTREPRENEURSHIP

Although the full range of behavioural components underlying entrepreneurial activity have not been discussed in detail, a sufficient base has been laid in the previous section for examining the content of the papers presented at the conference, keeping in mind six of the principal behavioural processes which appear most relevant to the study of entrepreneurship:

1. the environment/milieu as perceived
2. resource need and evaluation
3. motivations and goals for action
4. decision-making
5. reconstruction of behavioural environments/milieus
6. societal/cultural attitudes and constraints on behaviour

However, before proceeding to an examination of the papers, the guiding question offered by the conference chairman should also be laid down, since it forms the wider context within which the papers – and by extension the conference – should be considered.

Alexander suggested that the “failure of the Atlantic Region” in its historical and present-day development might be the result of one or more of the following conditions:

- (a) physical resources were, and remain, inadequate to support a ‘western’ standard of living,
- or (b) resources were, and are, not lacking, but their use and value has been manipulated or exploited to the benefit of persons and areas outside of Atlantic Canada,
- and/ (c) entrepreneurs have been, and still are, inadequate in developing and managing or the resources, and in changing the requirements whereby they are mobilized.

He asked the participants to attempt to provide answers as to which of these conditions best explains the region’s failure.<sup>18</sup> Although the conference did not come to any concrete conclusions on this matter, it did open up for future discussion the framework within which relevant questions may be formulated and asked.

Out of all the papers, it would seem that Ommer had the least need for any behavioural inquiry, since her study was concerned primarily with a macro-level structural analysis of a trading system and the ownership patterns within that system. At this level of analysis, it is realistic to provide explanation in terms of the results of generalized behavioural processes occurring throughout the system. Figure 3 is a schematic outline of her paper, and it shows that there is a descending scale-order of analysis used, down to the level of connections formed between individuals in a firm. However, even at this level, the attitudes, motivations and goals behind the people involved were not examined, but only the behaviour that resulted from these. This is not to say that such a behavioural examination is not feasible or valuable, even in a paper that operates primarily at the



macro-level. Given time and the availability of such data, an examination of individual motivation and decisions (the behavioural level in Figure 3) would provide a fine-grained understanding of individual behaviours which would then feed all the way back up the analytical hierarchy to provide a more complete understanding of the processes involved in the network of trading structures (the highest level in Figure 3). Thus, such things as seasonality and supply, production and market needs, could be easily understood in terms of personal decisions by individuals who were members of firms in the cod trade network.

Finley, in the subtitle to his paper on the Moran family of St. Martins, New Brunswick,<sup>19</sup> explicitly recognized the value of information on personal motivation and the importance of understanding family participation in maritime enterprise. In so doing, he echoed a common theme that ran through most of the studies of business concerns; that is, the identification of links between individuals and firms (directorships, partnerships, etc.), often based on familial ties. Finley, unfortunately, *imputed* motivation, along the lines of deliberate family strategy, to the Morans:

... the method used to enable the family to realize commercial success, was for the daughters to marry into local shipping families. That is, to marry a man who might not necessarily bring a great deal of material wealth into the marriage, but who would bring much needed occupational skills into the family circle. Rather amazingly by modern standards, each of the six daughters in turn took a husband who immediately became an integral part of the family business.<sup>20</sup>

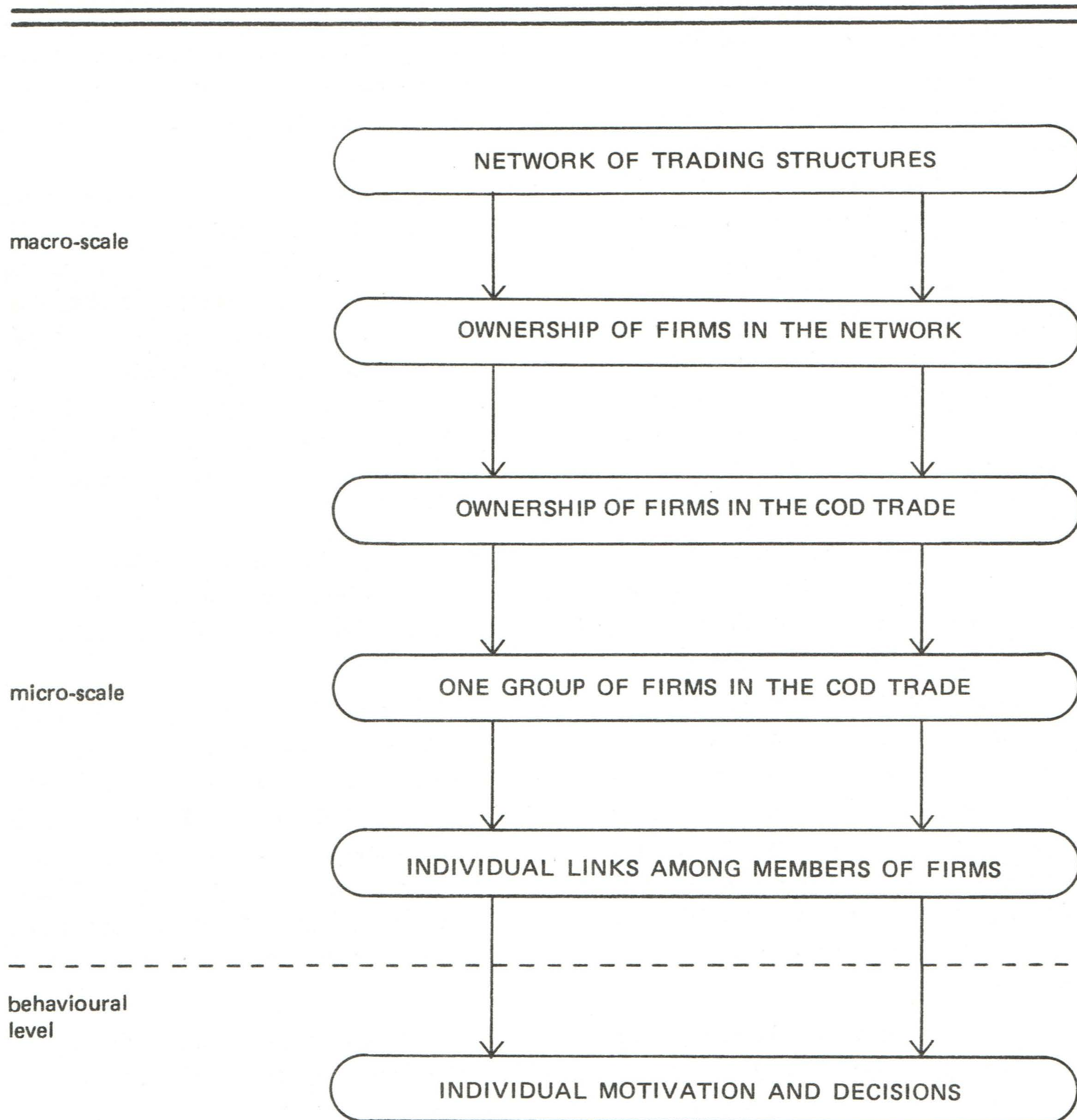
The need to impute, rather than determine, motivation is regrettable, especially since, unlike Ommer, he had sought to penetrate down to the behavioural level, recognizing the value of such evidence. However, it seems that the problem in Finley's study was one of data availability for he claims "no specific evidence relating to courtship and mate selection is available,"<sup>21</sup> and thus his statements about motivation had to be, in fact, hypotheses, based on findings from studies in the United States. He did provide considerable "back-up" evidence, and his hypotheses would, indeed, seem to be the most logical explanation of marriage choice in his study area. Nonetheless, we can still ask if it was the case (in this or in other papers presented) that marriages between firms came about in order to strengthen the business contract by a marriage contract, or was it simply that these people met one another frequently and hence personal relationships developed – particularly as the stratified nature of society and the consequent relatively restricted gene pool meant that the choice of marriage partner was limited to connected business families, unless the young people were prepared to marry down or were able to marry up? Without an examination of individual behaviours, this question of cause and effect cannot be answered adequately, and we must either impute motivation based on existing data and rational argument or, as Ommer has done with the cod trade network, make no commitment at all:

A substantial part of this network can be explained by family and marriage ties, sometimes prior to business partnership, sometimes after partnerships have already come into existence.<sup>22</sup>



Figure 3

INDIVIDUAL BEHAVIOURAL RESEARCH IN ENTREPRENEURIAL RESEARCH:  
A SCHEMA AS APPLIED TO THE COD TRADE



Source: L.R. Fischer, R.E. Ommer, and C. Palmer, "A Behavioural Model of the Evolution of Entrepreneurship" (forthcoming).



However, perhaps what is most valuable in research of this nature is the growing understanding that kin and marriage were important and useful mechanisms in the operation of nineteenth century entrepreneurial enterprises. The manner in which these ties came into being is, arguably, "icing on the cake," but the function they performed is essential information. The Felts, for example, have clearly indicated this importance of kin and family connection within a business, particularly as it reached more distant areas.<sup>23</sup> Wynn has stated specifically, of wholesaler and storekeeper relationships in the New Brunswick timber trade, that "as much of the business between them was carried on by correspondence, trust and integrity were essential."<sup>24</sup> The Felts have pointed out that the most secure basis for trust was that of kinship.

Kinship and marriage are not the only relationships important in entrepreneurial concerns, and Alexander pointed out that class structure had not been dealt with at the conference.<sup>25</sup> At least implicitly, the operation of merchant class behaviour, including marriage patterns, was identified and described by all participants, except Remiggi and McDougall who chose to deal explicitly with non-mercantile class structures in Gaspé. McDougall dealt with a very specific "class" – master mariners and whalers – who "formed part of a distinct maritime social unit and had a history which is largely independent of that of either the cod fishermen or the Jersey companies."<sup>26</sup> Remiggi dealt with clerical attitudes under an implicit assumption that the clergy constituted a "class" in contradistinction to that of the merchant elite in the Gaspé:

One conventional view of the Gaspé region holds the merchant class to be dominant throughout most of the 19th century, while the popular belief throughout the remainder of Quebec claims this privilege for the Catholic Church.<sup>27</sup>

Likewise LeBreton in his paper on the Blackhalls of Caraquet<sup>28</sup> drew a very clear class distinction between *les Acadiens* and the merchant class which dominated them. Acadian attitudes towards the merchants of the Jersey companies were such that business by the 1870's was carried out often under ethnic and class conflicts, and J.G. Blackhall's role was that of a "go-between" for both groups. The key to understanding commerce in this area lies in the *monopole d'influence* of the Jerseymen within which the Blackhalls worked, the attitudes and traditions of the local population (particularly economic links and marriage patterns), and the power and influence of minority leaders in the local community:

Les commissaires d'école pour Caraquet à cette époque étaient Philip Rive, Joseph Sewell et James G.C. Blackhall. Sur une population de 3,000 personnes, soixant-dix familles étaient anglophone, et les commissaires faisaient donc partie de cette minorité . . . en plus d'être syndic scolaire et membre de la minorité anglophone, il était aussi juge de paix et coronaire. Par ailleurs, il sera l'interprète pendant les enquêtes préliminaire.... Les liens familiaux sont aussi des liens d'influence commerciale et formant 'un tout' qu'on peut qualifier de monopole d'influence.<sup>29</sup>

LeBreton suggested that these factors were the major influences on behavioural patterns



of the Caraquet community. It is clear from this suggestion that an analysis of individual and/or group attitudes at both class levels, in direct relation to changing economic necessities as they existed in the wider commercial framework of the era, would further clarify the issues of class domination and merchant exploitation through trade.

Similarly, information on "prevailing economic attitudes, emerging social relationships, and dominant canons of success,"<sup>30</sup> in the *British* firms whose branches, or business partners, dominated the evolving New Brunswick timber trade, would be useful in Wynn's paper. It would provide deeper insights into the mechanisms involved in the creation of a New Brunswick proletariat, forced out of independent entrepreneurial ventures by the larger firms whose greater capacity for capital investment gained them the upper hand.

Indeed, increasing capital investment in the Atlantic Provinces at large, coupled with increasing vertical integration in emerging (and often exogenous) industrial concerns within the framework of a growing central Canadian core,<sup>31</sup> precipitated economic crisis in Atlantic Canada. Sutherland's paper on the personnel and policies of the Halifax Board of Trade examined the response of an institutional body to that crisis, commenting that "their response, as expressed through the local Board of Trade, provides an insight into the linkage between entrepreneurial performance and regional disparity."<sup>32</sup> He stated that attempts to reorganize the Board of Trade into a dynamic and forceful institution "remained persistently compromised by the traditionalism, elitism, penuriousness and factionalism of the Halifax business community,"<sup>33</sup> while noting that the origins of these obstacles were beyond the scope of the paper.<sup>34</sup> As a behaviouralist, I would argue that these origins are an intrinsic part of the process of institutional or entrepreneurial performance, which the conference had chosen as its theme. Nevertheless, occasional references in the text and the rich behavioural information provided in the footnotes (particularly footnotes 24 and 25) indicate that attitudinal data, from a variety of sources, is available and was used to formulate much of the analysis. Sutherland's exposé is a very detailed example of an analysis of institutional behaviour, and perhaps one of the few areas where a behavioural approach can move beyond the individual level to the level of the individual group. I refer once more to Silberman's Japanese study in order to stress how valuable the behavioural approach can be in such research.

In his paper on capital investment in the Newfoundland economy in the latter half of the nineteenth century, Sager attempted to assess the role of the entrepreneur in the decline in productivity and gross earnings in the Newfoundland fishery. He asked "how the merchants of St. John's respond and what does their response tell us about the history of this resource-based industry."<sup>35</sup> Like Sutherland, Sager was dealing with an explicitly behavioural concept — that of attitude and response to change in an economic or business milieu and the effects of consequent decisions made by the merchants on that milieu — but "few detailed records remain from the merchant firms of St. John's in the crucial decades between 1850 and 1890."<sup>36</sup> Thus Sager was forced to

reconstruct the investment decisions of St. John's merchants from the available statistical data . . . by presenting some of the data on merchants' shipping investments, and . . . (to) offer a few conclusions about the role of those investments in the maritime sector of the economy.<sup>37</sup>



Sager clearly was substituting, either by choice or because of data limitations, an analysis of individual behaviours and reactions to "crisis" using surrogates (investments in shipping, concentration of ownership, etc.) rather than the behaviours or decisions themselves. Perhaps the use of other data sources, such as newspapers or government reports, could have helped provide some of the missing information, in order to recreate, at least in part, some of the perceptual milieu in which the merchants' decisions were made.

One very interesting conclusion in Sager's paper is his assessment of the Water Street merchants as having been unable to adjust to an exchange system based on anything other than fish.<sup>38</sup> This can be set beside Remiggi's assessment of the Catholic Church in Gaspé which, he argued, found itself inadequate to deal with an exchange system based on fish.<sup>39</sup> In contrast to these examples of entrepreneurial inability to adapt, Panting's Yarmouth shipowners appear to have been adaptable and innovative to a high degree.

Of the dozen "above average" shipowners of the 1880's . . . the innovative drive of the group was maintained as new ventures in small manufacturing and secondary financial enterprises were coupled with investments in the new technologies — telephones and textile manufacturing.<sup>40</sup>

Panting examined the sensitivity and adaptability of entrepreneurial concerns in an area which was experiencing declining economic and demographic growth and suffering from the effects of competitive technology in its principal industry (shipping). The study was set within the context of the motivation of the commercial life of the Yarmouth community, and he attempted to assess both the role of the shipowners and operators as well as the scope of their influence in the development of the town. There is no doubt that the results presented from an analysis of a mass of statistical data, coupled with the arguments offered, led to the solid conclusion that

it is evident that entrepreneurial skills were transferred from wooden ship operations to other areas of entrepreneurial activity. The leading shipowners could direct banks and railways and could apply their capital to textile manufacturing. Certainly, they were familiar with risk-taking before entering their new roles as innovators in the town's development. The importance of the shipowners in that role is equally evident.<sup>41</sup>

Considering Panting's shipowners in conjunction with other entrepreneurs such as those examined by Sutherland, Sager, Wynn and the Felts in particular, one is led to ask the question why the Yarmouth shipowners, alone amongst all these other groups, remained flexible, innovative and responsive to change. Perhaps this question may be answered only in the light of behavioural inquiry. Many of the forces influencing entrepreneurial and community activities were similar: the decline in community business growth, changes in investment patterns and the introduction of new technologies, for example, and therefore the manner in which these forces were perceived, interpreted and responded to, becomes important.



Remiggi, Miller<sup>42</sup> and Fischer<sup>43</sup> contributed the three studies which offered the most in terms of behavioural material directed at an assessment of the response of an entrepreneur (Fischer and Miller) and an institution (Remiggi) to the forces influencing them. All three papers are rich in behavioural information, and much more could be written about them than space permits. They demonstrated the valuable insights that can be gained from considering behaviour in history – but, unfortunately, both Remiggi and Miller failed to really reach down to grasp the two contrasting “psyches” with which they attempted to wrestle. Perhaps in Miller’s case, this is why he concluded that “the ‘one by one’ study of individuals is probably not the best method to approach the problem,”<sup>44</sup> while Fischer, by contrast, after a paper that explicitly set out to examine entrepreneurial behaviour, concluded:

what we need most are studies of comparable individuals and communities. One would expect that such research would locate a wide variety of entrepreneurial techniques, investments and behaviours.<sup>45</sup>

Fischer also noted that “historians who undertake the study of entrepreneurship should at least become increasingly cognizant of the need for heightened precision,”<sup>46</sup> in defining their central concepts. Remiggi stated that his unit of focus was that of the layman, but then chose to gain access to this *lay* response through materials which were almost exclusively *clerical* assessments of merchant and “habitant” (i.e. lay) responses.<sup>47</sup> Furthermore, he sought to demonstrate that the French Canadian response was more to “economic and ecological conditions and constraints than . . . to clerical imperatives,”<sup>48</sup> but chose to do so by “reviewing the relationship between the French-Canadian clergy and the merchants of the Gaspé region.”<sup>49</sup> If Remiggi was trying to show that the layman was constrained more by economic necessity than by the spiritual control of the Church, then it would seem more appropriate to me, as a behaviouralist, to attempt to establish the layman’s preference structure from *layman* documents; nor does it seem appropriate to attempt to grasp this French Canadian response from a review of the relationship between the *non-French Canadian merchants* and the *clergy*. As the paper stands, we are forced to recreate clerical preference structures first, in order that we may properly assess these clerics’ evaluations of lay attitudes.

Nevertheless, Remiggi has attempted to destroy a myth, created out of the preference structures of past researchers, by returning to the original documentation with the expressed purpose of finding out what people actually thought, and what their motivations were, rather than using such documents selectively to support preconceived ideas:

Several factors have contributed to this often superficial, largely descriptive, character of the literature, not least of which has been the pre-eminence of clerical researchers. . . Church control of most of Quebec’s post-secondary institutions, at least until recently, constitutes a second cause. These factors together have resulted in an inordinately high degree of subjectivity in the literature, usually in favour of the Church itself and traditionally in support of the clergy. . . much of the literature on the Church has been more



concerned with the respective philosophical positions of individuals than with using empirical evidence to assess the day-to-day role of the institution.<sup>50</sup>

Just as Remiggi has attempted to redefine and clarify the role of the Church in Gaspé, Miller has attempted to classify F.W. Borden within a role – that of the nineteenth century British capitalist – from Borden's responses and implied motivations. Perhaps most fascinating of all was Miller's interpretation of Borden's inability to delegate, which Miller saw as "increasingly outmoded in the impersonal world of corporate business."<sup>51</sup>

Borden's reluctance to change together with his awareness of the changing character of corporate business *may have been* another factor which prevented him from giving up public life for more active business commitments. It *may also* have increased his drive to prove himself through conspicuous consumption and the pursuit of prestige and place.<sup>52</sup> (my emphasis)

Here, perhaps more than anywhere else in the conference, an author came close to grasping the roots of personal (as opposed to business) entrepreneurial motivation in the nineteenth century, and it is a shame that Miller failed to take the last logical step in his investigation and actually attempt the behavioural analysis which would have allowed him to make positive statements rather than tentative suggestions about the motivation and behaviour of this man. Sir Frederick Borden, "this joyous old boy...something of a scamp...who had...qualities which for the sake of delicacy are usually called human,"<sup>53</sup> came to life in this paper, mostly through the quotes with which Miller regales us. At the end of the paper, I felt moved to agree with Sir Robert Laird Borden: "I like him."<sup>54</sup>

By contrast, the most detailed and deliberately behavioural examination of a Canadian entrepreneur was that by Fischer. He discussed the evolution of the concept of entrepreneurship, and pointed out that a clarification of the term had been attempted nowhere in the conference, despite the fact that this concept was central, both to all the papers and to the guiding question offered by Alexander.<sup>55</sup> Fischer used James Peake of Charlottetown, P.E.I., as his entrepreneurial case study, with the specific purpose of eliciting from Peake's business behaviour and motivation whether or not Peake was an entrepreneur according to pre-defined criteria for identifying entrepreneurship. These criteria Fischer derived from McClelland's *The Achieving Society*, which was

based on a definition of role behaviour, (and)... was at once historical, cross-cultural and non-economic. This new model also re-introduced the element of risk, recognizing that truly new endeavours carry with them the possibility of failure.<sup>56</sup>

Fischer started with Peake's own definition of his role in the economic development of P.E.I., which was

to set an example and to encourage others to plan and build for the future in this place. Tho' others will no doubt have more capacity, still I feel it is my place, if I may say it, to be an engine, yet moderate.<sup>57</sup>



Fischer went on to test Peake's self-definition in terms of its usefulness as a guide for the establishment of a workable definition of the term "entrepreneur." Working at a variety of scales, he drew a picture of Peake's attitudes and activities in which the characteristics of entrepreneurial behaviour were clearly established. However, there is a danger that Fischer's own definition of an entrepreneur remains very static, being time, place and culturally specific. This may be a result of assessing Peake's behaviour against a set of criteria designed to distinguish the entrepreneurial from other roles (manager, speculator, etc.); the point that entrepreneurship is a *dynamic* concept fails to come through. Over time, and because of shifts in the nature of economic forces affecting commercial development, the criteria and the relative importance of each criterion (which taken together distinguish the role of the entrepreneur from other roles) may change. In the evaluation of whether or not Rockefeller, Carnegie, Irving or Bricklin were entrepreneurs, would Fischer have identified the same criteria, and furthermore, would he have established the same upper and/or lower bounds on each criteria "dimension" in order to assess if their role was indeed "entrepreneurial"? Perhaps we may need a different definition of entrepreneurship for different time periods and/or locations.

However, even within the context of Fischer's study, his idea that entrepreneurial behaviour must be "innovative" is problematic.<sup>58</sup> It seems to me that a man who can mobilize resources, whether this be done in a traditional manner or otherwise, should not automatically be excluded from this particular club. Perhaps the problem revolves around what he means by innovative or traditional; but if this is the case the discussion is degenerating into one of semantics. As Fischer suggests

"Entrepreneur" would appear to be one of those concepts such as "power", "class" or "democracy", for which few writers and even fewer historians, have felt compelled to provide definitions, assuming instead that its use would evoke a shared response among readers.<sup>59</sup>

Perhaps this is in fact to the good *at this stage*, given both the esoteric nature of arguments that arise in attempting to clarify it, and the possibility that there is no all-encompassing definition of an entrepreneur. Given this, the question should be (to use one of the criteria Fischer identified) whether or not risk is involved, rather than how much risk a man takes.

What is particularly interesting given Fischer's stated aim is that he felt that his macro-level analysis "conveys the impression of a rather cautious individual whose behaviour appears to be imitative rather than unique,"<sup>61</sup> and he commented that:

While a macro-view of Peake's holdings fails to reveal much evidence of entrepreneurial activity, a micro-view suggests a different conclusion. We can see numerous examples of risk-taking and novel instrumental behaviour, and this analysis provides a sharper focus for an understanding of Peake's activities.<sup>62</sup>

This conclusion is important in the light of criticisms made earlier of other macro-level



analyses presented at the conference, especially considering that Fischer set out specifically to search for behaviour in his macro-level analysis. This was not the intention of the other contributors, and once again I stress the importance of my discussion of Figure 3 showing the level at which behavioural analysis can be both effected and effective.

Working out of Fischer's idea that "attitude" and "role behaviour" are key concepts in the identification of entrepreneurial behaviour, it could be argued that merchant and industrial entrepreneurship differ in two basic respects: the attitudes to production and capital (see Figure 4A). This is basically a motivational distinction and therefore, one that is inherently behavioural. The merchant capitalist was interested in short-term, minimized risk capital with stable production. Any surplus profit gained from production was withdrawn from his business and put towards "the consideration and good opinions that wait upon riches."<sup>63</sup> The industrial entrepreneur, however, is increasingly concerned in this modern age with returning surplus to his system to enlarge production – the oft-suggested gift of the puritan ethic to the business community. Thus his investment is long-term, and since large profit comes most often from large risk, his ventures are often financially daring. This is certainly not the attitude, nor the motivation of Charles Robin (of the Jersey firm of Charles Robin & Co.), who said of a proposal to grow Canadian hemp:

It's plain the first man who attempts them will fail, so will the second, third and I do not know how far further to say, but when sufficient experience is collected from the wrecks of the first adventurers, I think the business will succeed. Must a Jersey Robin be the first who breaks his neck in an adventure when he is fixed in a certainty, from which certainty, with patience, he might step in the hemp business which might be a certainty after these individuals had made it so at the expense of their future and credit.<sup>64</sup>

Similarly, Miller noted of Sir Frederick Borden that he failed to become a wealthy industrialist in the manner of the late nineteenth century.<sup>65</sup> It could be suggested that he was (a) too much merchant capitalist, and (b) too much involved in status and personal return to dare his fortune when the risks were highest and returns greatest. This personal search for status is the opposite of the anonymity of the "corporate man" in today's multi-national enterprise. Personal identity is not the object of such a manager's search for increase in productivity, but rather his aim is to search for increased productivity for the company.<sup>66</sup>

Thus the historical evolution of entrepreneurship may well be viewed on a bi-polar scale, such as that shown in Figure 4B, where the merchant entrepreneur and the industrial entrepreneur anchor each end of the continuum. The scale may be useful for identifying the relative position of entrepreneurs, particularly as a gradual movement from the merchant capitalist of the eighteenth century through to the industrial capitalist of the twentieth century can be visually represented.



Figure 4

(A) DISTINCTIONS IN ENTREPRENEURIAL MOTIVATION AND INTENT

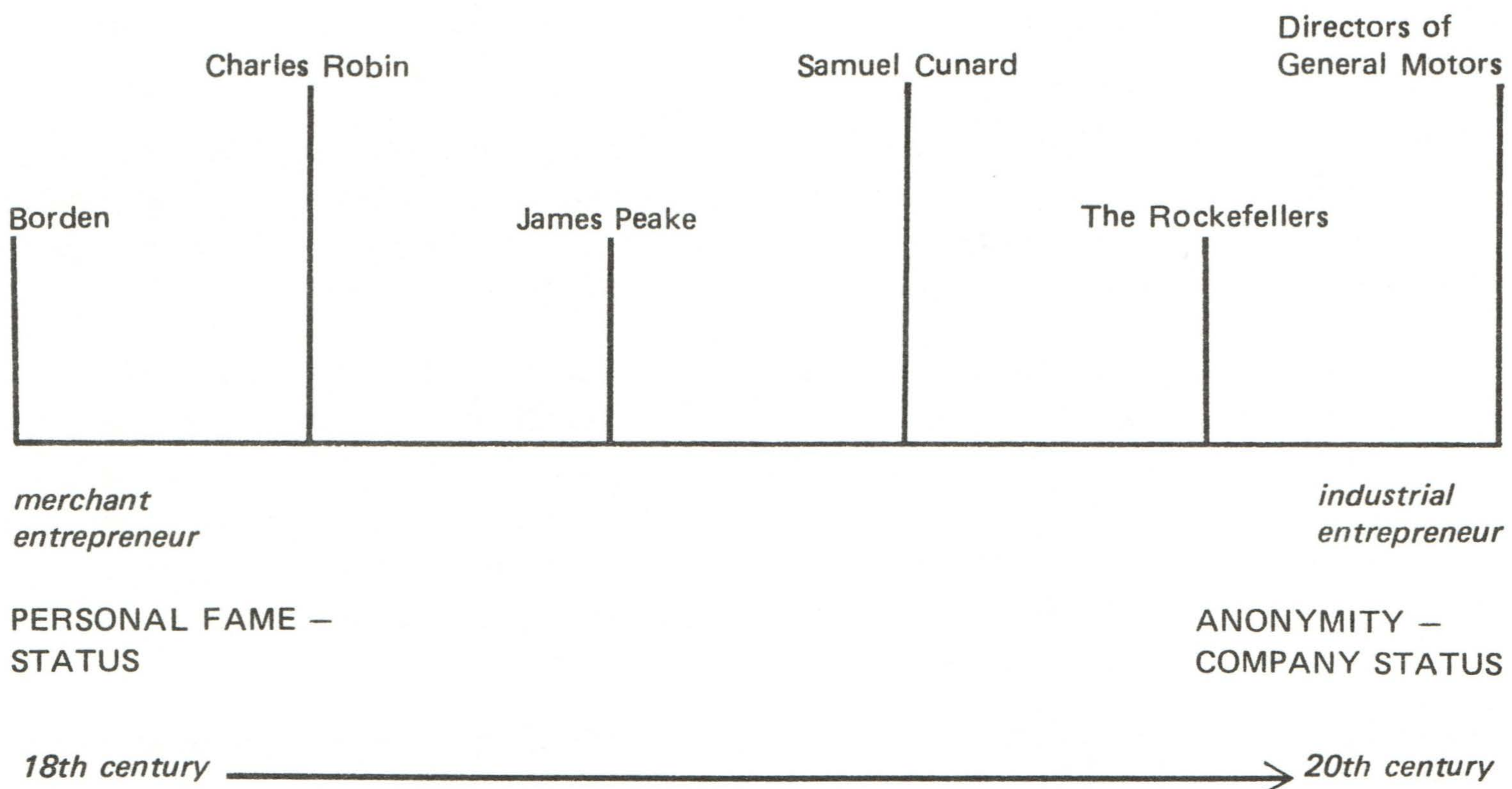
MERCHANT ENTREPRENEUR: for stable production and short-term capital (minimized risk)

INDUSTRIAL ENTREPRENEUR: for increased production and long-term capital (risk)

MERCHANT CAPITALIST: removes profit from production at the end of every cycle in order to promote personal status and "conspicuous consumption"

INDUSTRIAL CAPITALIST: returns profit from production back into the system to create even higher production

(B) SCHEMATIC OUTLINE OF THE EVOLUTION OF ENTREPRENEURSHIP



Source: L.R. Fischer, R.E. Ommer and C. Palmer, "A Behavioural Model of the Evolution of Entrepreneurship" (forthcoming).



The information presented in Finley's paper, together with comments made by Matthews,<sup>67</sup> suggests that a generational component should be incorporated into this schema of entrepreneurial behaviour, at least for the nineteenth century. Finley hinted that there was a three or four generation development contained in this evolution; the first generation were the aggressive innovators, the second and perhaps the third were the consolidating managers (none of which were yet concerned with status), but the third and/or fourth generations were those in which the entrepreneurial energies of a family either dissipated or were directed into the search for status, and thereafter the family moved towards the professions, aristocracy and out of the business world.<sup>68</sup>

The Felts' paper, while written at a level that in general is above the behavioural level, offered some very valuable suggestions as to where behavioural research could begin to identify the shift to industrialization, and later to de-industrialization in the nineteenth century in New Brunswick. They did not study a single entrepreneur, as did Fischer or Miller, but instead sought pattern in the economic behaviour of sets or networks of entrepreneurs as they moved away from the outmoded manipulation of merchant capital towards the accumulation and use of industrial capital. In a paper written at this macro-level, we have to settle for hints or pointers to behavioural investigation, such as:

- Of course more precise information is needed to indicate why particular investments were made and why certain investors acted together.<sup>69</sup>
- or The community basis for investment is clear.<sup>70</sup>
- or ...a closer comparison of the political statements of some members of the merchant group, and their eventual economic behaviour, should be carried out.<sup>71</sup>

While it is impossible to list all suggestions made by the Felts, including a fine section on the role of kinship, they go some way towards defining another entrepreneurial role for the conference: the merchant-industrialist, who might be placed somewhere between Peake and Cunard on the "entrepreneurial scale" in Figure 4B. However,

More data is required to evaluate the closeness of such individuals to the management of their enterprises. What the preliminary evidence suggests is that the role of merchant-industrialist does exist and may fit quite well into a particular period of industrial development, when the technological and managerial problems of running a profitable industry were not yet so complex or when the succeeding generations successfully picked up new skills as the need for more specialization developed.<sup>72</sup>

Likewise Wynn, whose paper "combines a regional focus with simple 'structural theory' describing the distribution of manufactured goods in mercantile economies,"<sup>73</sup> using New Brunswick as a case study, explicitly identified the stage at which the merchant-industrialist appeared. Wynn pointed in some detail to the impact of the evolution of this kind of entrepreneur on the lower levels of the colonial business and industrial hierarchy:



As monopolies based on capital and commercial strength brought large areas of Crown forest, hundreds of men, hinterland storekeepers, and sawmill owners into their orbit, the conditions of economic and social life in the colony were changed. . .Cash and contract more frequently defined the relationships among men...management and authority in the timber trade became ever more impersonal.<sup>74</sup>

Consequently these two papers gave some idea of both sides of this new Canadian merchant-industrialist coin.

Almost all the papers presented identified whether or not the entrepreneurs under study were successful in their ventures. Furthermore, Miller, Sager, and Sutherland suggested reasons for failure, just as Panting, Ommer, and Fischer explained success. However, such judgements by the participants were made largely with hindsight, and attitudinal studies of these entrepreneurs would put us back into their frames of reference and lead us to ask the question whether or not they failed (or succeeded) *in their own eyes*. To take Sir Frederick Borden yet again as an example; his failure to maximize profit may have been less important (for himself as opposed to the area) if his attitude was that he wished to achieve status. The Lieutenant-Governorship, for which he strove, would then be *success*.

Perhaps the key to evaluating Alexander's guiding question lies in the interpretation of success and failure. It seems to me that no answers were provided for the question set, largely because the participants could not agree on what the question entailed. This apparent confusion may have revolved around the participants' varying concepts of what the term "failure of the Atlantic Region" meant; for whereas LeBreton saw failure socio-culturally through the domination by the Channel Islanders over the local Acadian population, Ommer saw the Jerseymen's role in Atlantic Canada, exploitative as it was, as successful in terms of an efficient mobilization of the fish resource — at least until the entire Jersey trading system collapsed.

One of the problems that arises when attempting to answer Alexander's question about the failure of entrepreneurship in the Atlantic Provinces is that the question cannot be answered adequately, and should not be attempted until underlying confusions are uncovered and resolved. Is it not possible to have a failure in entrepreneurship for a region while having, at the same time, a successful entrepreneur, not merely in his own eyes as perhaps with Sir Frederick Borden, but in the eyes of the business community at large? Sager's Water Street merchants could be argued to be a case in point. Sager asked:

Was stagnation in the maritime sector the result of entrepreneurial failures? It is more likely that stagnation resulted from the absence of certain entrepreneurial functions: from the failure of the merchant capitalist to undertake the organization and regulation of production, and from the absence of any co-ordinated marketing procedures for the industry as a whole.<sup>75</sup>

He noted that "in these respects the merchant firms were as ill-equipped to meet their twentieth century competitors as was the rest of the maritime sector."<sup>76</sup> This inability to



undertake a Herculean task of economic restructuring, which was well beyond their capacity, cannot reasonably be called failure in so much as the task was (at least for them) impossible, and the merchant-capitalist may have lacked the capacity to even identify the components needed for any such restructuring. As Sager pointed out, the merchant-entrepreneur who did not wish to fail had no choice but to minimize his risk by re-investing his capital in other directions.<sup>77</sup> Not only was "the neglect and decline of Newfoundland's most valuable resource industry...fully consistent with the interests of the merchant class,"<sup>78</sup> but it was what they *had* to do (if one accepts the mentality of the merchant-entrepreneur). It was what they had to do if they were *not* to become failures, if they were to achieve success, or even if they were to do no more than to ensure their own survival.

Therefore, I would suggest that a re-examination of the concepts of success and failure is necessary at this stage; we must ask, particularly of Atlantic Canada, which entrepreneurs regarded themselves – with justification – as having been personally or commercially successful, although we may have the attitude – with equal justification – that they failed the region in its time of need.

## THE ROLE OF BEHAVIOURAL ENQUIRY IN HISTORICAL RESEARCH

Despite the arguments presented to this point, it should be mentioned that in no way do I advocate a wholesale adoption of a behavioural approach in historical research. There will be many occasions when individual or group behaviour will have very little value or relevance; or when the results gained from rigorous behavioural analysis will not justify the time and effort expended.<sup>79</sup> I do claim, however, that in many instances a knowledge of behavioural process, and how to acquire behavioural information, may enrich a research study which may be forced otherwise to infer, to impute or alternatively to ignore behavioural components underlying certain activities. As with the examples offered earlier on the cause-effect relationship between business operations and marriage links, the determining of which was cause and which was effect may not be crucial to the description of what happened in the business community, but it might be critical to a complete understanding of the processes influencing that community.

Just as the behavioural geographer who is investigating the way resources are evaluated in a specific geographical area must be knowledgeable in economic, social and cultural theory relevant to his area, so must the historical researcher who is using behavioural concepts be fully aware of current philosophical, theoretical and methodological debates about the processes he is investigating. This point is particularly important given the weight behaviouralists attach to the way data is collected and to problems of interpretation encountered when live respondents are questioned. The behaviouralist in an historical context cannot determine preferences or attitudes from a living population and he, like the historian, must rely on the traces of the past which remain. As the historian is well aware, this requires that behavioural statements



encountered in letters, diaries, personal accounts, etc., be interpreted within the context of how and why they were written.<sup>80</sup> In the same way that a behaviouralist has to eliminate bias from his research in a modern day context, an historical researcher must do likewise with the past if he wishes to distinguish what people actually thought from what other people thought they thought, or even from what they, themselves, thought they thought.

All too often, a behavioural "intention" can be used without sufficient justification, thereby leading to erroneous interpretations and consequently jeopardizing the entire research. So it must be ensured that past behaviours are interpreted in the context of how behavioural components interacted during that specific time period, and not in the context of how modern behavioural theory states that they should interact. I refer you back to Silberman's research on Japanese decision-making for an example of how great pains were taken to outline the socio-behavioural organization of society before investigating how decision-making bodies operated; and also to Fischer's behavioural interpretations of personal comments elicited from the Peake Papers. These points serve to emphasize that behavioural enquiry in historical research should *supplement*, not *replace*, more traditional research methods.

Despite the problems which may exist in the collection and interpretation of historical-behavioural information, the papers presented at the conference serve as good examples of the richness and variety of data which can be obtained for the Atlantic Region, particularly from primary sources. McDougall in particular has to be mentioned for the quality of the data collected for his paper on the shipbuilders, master mariners and whalers of Gaspé Bay – not just because of their richness, nor because of the energy that must have been expended on the data analysis, but because of the implications of this data for the study of the behaviour of a very small group in a very small geographical area. Due to his insistence on apparent minutiae, he was able to reconstruct shipbuilding, whaling and other skilled maritime activities in the Gaspé area. Although the data was not behavioural in nature, and although he did not analyze it in a behavioural manner, he was able to identify a tiny enclave within the broad region of eastern Quebec – an enclave which at first seems unimportant in the regional development of Atlantic Canada, given the scope of the other papers and the generality of Alexander's question. However, by identifying this enclave, McDougall has described at the micro-level an interface between a community (with its traditional skills and attitudes) and the forces of a larger-scale merchant-entrepreneurial system. Interestingly, many of the concepts identified in other papers – such as response or attitude both within and between groups – could be seen to operate in this enclave. This type of interface research may well act as a laboratory for examining in detail at the micro-level how widespread forces manifested themselves. This research might be more awkward if attempted in a larger context.

Furthermore, statements such as: "up to the time of writing, a total of 459 vessels have been identified as having been built on the coasts of the Gaspé peninsula between Cap Chat and the Restigouche River. . .from 1762 to 1895"<sup>81</sup> indicate either that the entire amount of data collected has not yet been analyzed, or that data sources have not been exhausted, and they illustrate the abundance of information with which McDougall has worked. My only regret is that his paper showed little evidence of any interest in the



behavioural information which his data sources must contain, particularly that in firms' letterbooks and personal documents. Thus, when describing the activities of partnerships in a fishery business, claims that "their intentions often seem to have been to have one member of the partnership established on the coast while the other remained in Quebec as the agent for the sale of their fish" were not substantiated.<sup>82</sup>

## THE RE-STRUCTURING OF NON-BEHAVIOURAL INFORMATION

It appears that McDougall was not alone in the use of data which was non-behavioural in nature. Many other papers, either by design or through necessity, used data on such subjects as volume of shipping, cash flows, policy changes in business enterprises and so on – data which is more "mechanistic" than behavioural. There is little doubt that these economic phenomena have a direct behavioural origin, but often the manner in which decisions were translated into activity, based on attitudes, motivations, personality, etc., does not become apparent at the outset of a research investigation, perhaps due to a lack of behavioural data sources. Primary sources of information may give clues as to how activity evolved, but the presence of too little (or too much) mechanistic data may hinder the extrapolation of behavioural process. As a conclusion to this paper, I wish to complete my evaluation of the behavioural approach in historical research by turning to the more practical inputs which behavioural methodology might provide.

Working on the assumption that behavioural components underlie the decision to perform such activities as marriage, trade or migration, and condition the manner in which they are performed, a breakdown of how activities manifest themselves, in terms of aggregate marriage patterns, trade patterns or migration patterns, may well provide insights into the behavioural elements underlying their organization. I shall demonstrate how data in aggregate form may be "decomposed", thus possibly revealing how the activity which they describe was structured.<sup>83</sup> I should emphasize at the outset that this method should be used in a *diagnostic* sense only; that is, to support hunches or intuitions about underlying data structure so that more concrete hypotheses may then be formulated. It should not be seen as a method for *proving* hypotheses in historical research, since considerable weight must be placed on the subsequent interpretation by the investigator of the underlying structure revealed in the decomposition.

Figure 5 shows an outline of the island of Newfoundland, upon which fifteen points (corresponding to settlements) were arbitrarily located. The distance from each point to every other point was measured and recorded in a matrix in *rank-order* form (that is from the 1st to 105th greatest inter-point distance). The matrix of ranked distances was then submitted to an MDSCAL<sup>84</sup> scaling procedure to see if a pattern of points could be reproduced such that their relative positions (to one another) corresponded accurately with their relative positions on the original map (Figure 5).



MDSCAL can be used when the input data is a description of the similarity or dissimilarity of a set of objects. In this example, the dissimilarity was seen in terms of the physical distance between each of the objects (settlements). The procedure is designed to arrange objects (in this case points representing settlements) in a space, such that the ordinal properties of the input data are maintained in the final arrangement (that is, in this example, the distance between Bay de Verde and Bonavista, which is the shortest inter-point distance on the original map, should also be the shortest inter-point distance in the final configuration, and so on). However, this assumes that two conditions exist:<sup>85</sup>

- (a) that the rank orders can indeed be maintained, within certain limitations, after all the objects have been arranged (meaning that a solution is possible), and
- (b) that a structure underlying the original data does exist.<sup>86</sup>

Figure 6 shows the reconstruction of the input data presented by the MDSCAL algorithm. A line drawn through the fifteen points can be seen to correspond fairly accurately to the shape of the island of Newfoundland; thus, the relative positions of each of the settlements have been reproduced. Moreover, the data provided for MDSCAL consisted of only 105 rank-order values describing fifteen points. This implies that the replicated pattern was achieved with a high degree of accuracy, but using data which was very limited (in terms of quantity) and very weak (in terms of its quality for describing location).<sup>87</sup> In addition, it is possible to estimate the ease with which the algorithm was able to arrange the points. In this example, the "stress value" (indicating the "goodness of fit" of the objects in the output space and based on the constraints of the ordinal properties of the data described in the input matrix) gave clues that the objects were arranged with respect to two dimensions.<sup>88</sup> Clearly, since we know already the nature of the pattern described by the input data, and its underlying structure, the two dimensions can be verified as being an east-west (longitude) axis and a north-south (latitude) axis.

This example has been used as a test to show the accuracy of MDSCAL's reconstruction given limited data. The initial configuration of points and its underlying structure were known beforehand. Naturally, we are not going to know these under normal research conditions. My second example illustrates how structure may be identified when it is not already known, and also why caution should be exercised in the interpretation of results.

It was stated earlier that intuition, or a "hunch", should guide the way the analysis is set up. Therefore, working on the assumption that the tonnage of shipping moving between ports in a trading system reflects preferential bias within that system, a matrix of tonnages carried between seven port regions in 1830 was analyzed. This data has already been presented by Ommer in her paper on the Jersey cod and carrying trade (see her Table 4), and this analysis was performed so that the Jersey trading network could be visualized. From an initial examination of the raw data, we may expect the British region (which includes Jersey itself) to be the central link to all other regions, not only because it handles the greatest tonnage but also because it trades with all the other six regions directly. Moreover, we may be seeking to formulate a hypothesis which would relate the



Figure 5

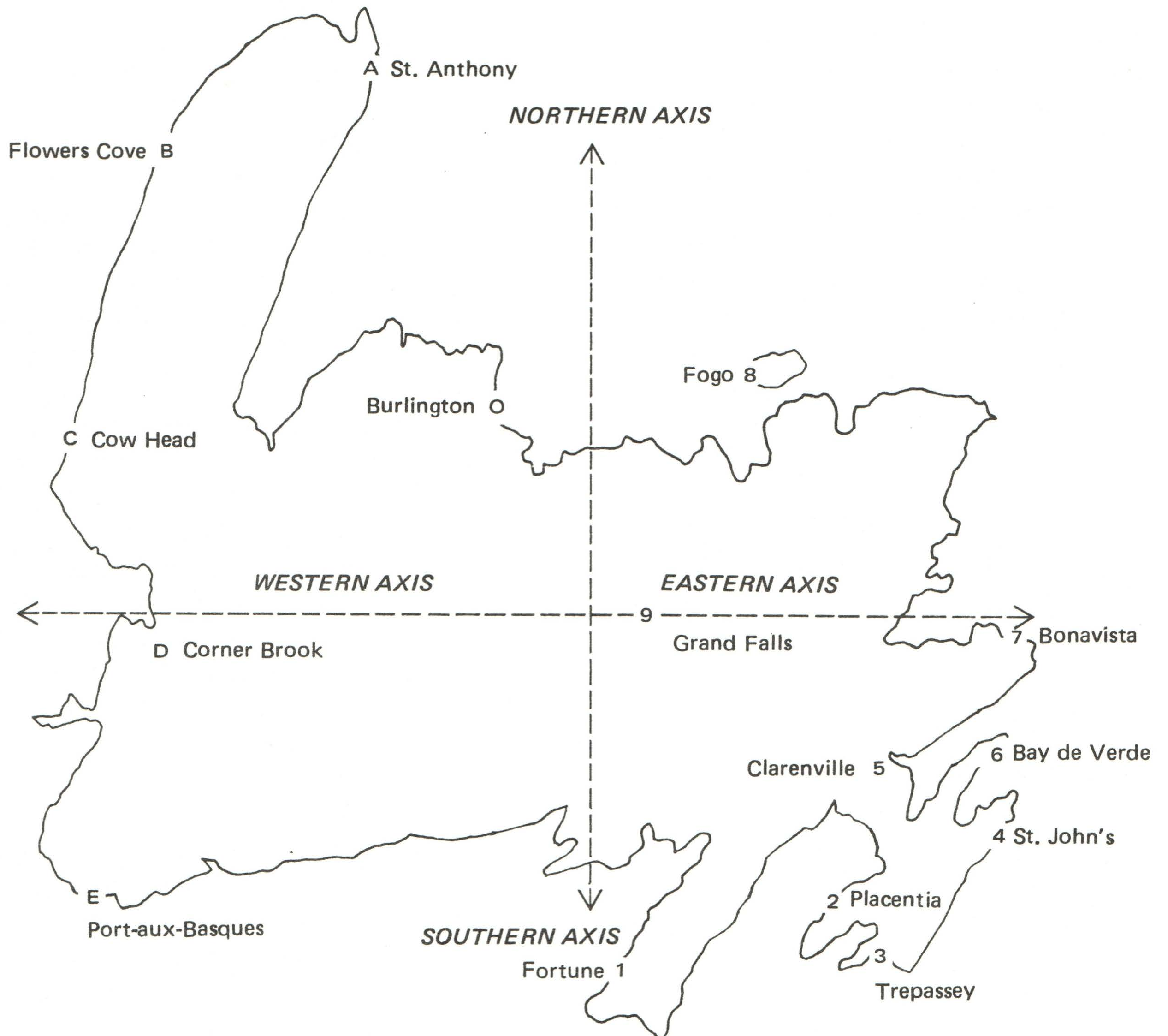
THE ISLAND OF NEWFOUNDLAND





Figure 6

RECONSTRUCTION OF NEWFOUNDLAND



Source: see text.



tonnage of shipping moving to the distance travelled. Perhaps MDSCAL's solution will show that points lying close together in the final configuration (which reflects the heaviest movement of tonnage) are also the ports which are closest in terms of physical distance. If this were the case, we would expect the points in this configuration to be reproduced in relation to their geographical position in the world, and one can envisage that with the addition of more points, a "map" having the characteristics of a world map might be replicated in a manner similar to the last example.<sup>89</sup>

The original tonnage matrix was transformed into a rank-order matrix from greatest to least tonnages carried, and subjected to an MDSCAL analysis. Figure 7 is the two-dimensional solution presented by the scaling analysis. It has arranged the seven points (ports) in a space such that a very low stress value has indicated that a "good" solution was achieved. The configuration would seem to support the notion that Britain was central to the entire trading system, and that other regions (such as the Baltic and Hamburg/Anvers) were fairly detached from the rest of the network, having links through Britain. However, our tentative hypothesis that tonnage is related to distance does not appear to be substantiated due to the closeness to Britain of the Cod area, and the larger distance between Hamburg/Anvers and the Baltic. Perhaps we should look elsewhere for the formulation of an hypothesis which may explain the type of professional trading bias exhibited in this network.

However, this example is offered also as an illustration of the *misuse* of this or any other scaling procedure. It was stated that the researcher should have a good conceptual basis for believing that some structure or organization exists. In taking the matrix of tonnages as created by Ommer, this requirement was not satisfied. Although MDSCAL performed the task set, and produced a neat and logical configuration of port regions, the basic assumption that tonnage information will reflect preferential bias in a trading system was not valid. In the movement of 990 tons from Britain to the Baltic, for instance, we cannot tell whether this entailed three ships of 330 tons each, or thirty ships of only thirty-three tons each, and size of ship is quite probably related more to freight-bulk than to the *importance* of a trade. Thus goods requiring the heaviest ships are not necessarily the most important goods.<sup>90</sup>

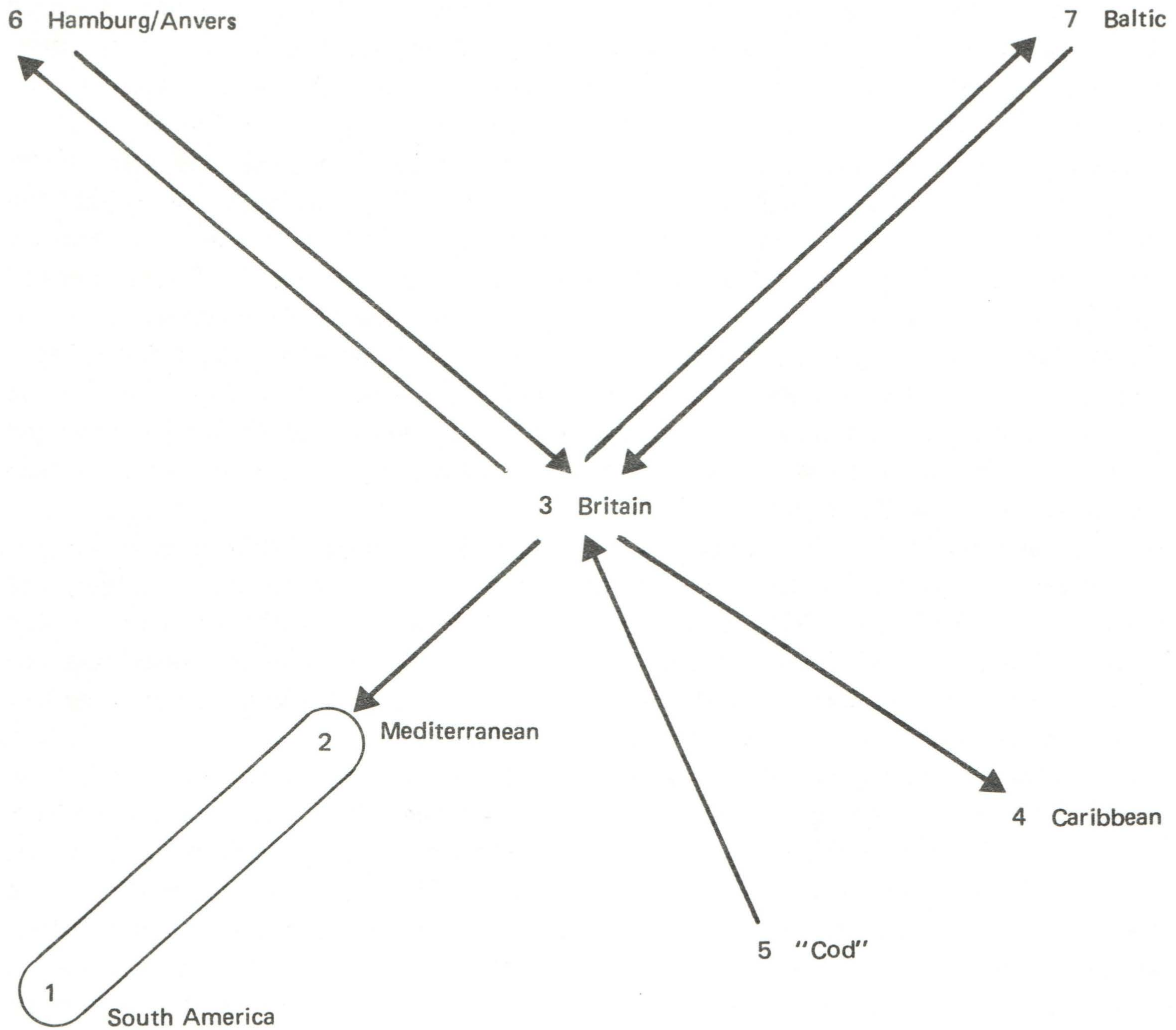
So far the examples offered have not dealt with classically behavioural material, although the last example might well have been used to identify behavioural dimensions underlying the data structure (such as preferential links based on how distance is perceived) if our data had been selected more carefully. The final vignette is a trip into the world of literature and theatre, and an examination of the interplay of personal behaviours as put before us by William Shakespeare in *The Tempest*.<sup>91</sup> The input data was simply a rank-ordering (from greatest to least) of the amount of communication between each of the characters in the play.<sup>92</sup> Using inter-character communication as a measure of similarity/dissimilarity (not in terms of character personality, but in terms of plot structure and participation throughout the play), some hypothesis about the intended psychological structure of the play may be generated from a decomposition of the organization of the plot. Such an hypothesis could well be couched in terms of "reflections on life" that Shakespeare was attempting to symbolize through the play.



Figure 7

RECONSTRUCTION OF JERSEY SHIPPING ROUTES USING TONNAGES

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Source: see text.



Figure 8 shows an MDSCAL reconstruction of the play; an examination of the stress values provided indicates that a *three*-dimensional solution is the "best." As MDSCAL cannot draw a three-dimensional representation, we are forced to work with three two-dimensional pictures. Figure 8, therefore, is only one of these pictures showing two of the three dimensions.<sup>93</sup>

Luckily, much has been written on Shakespeare's work, so there are well-established guidelines upon which an hypothesis about the organization of the play can be based. As a result, we may readily identify the four major character groupings (heavy black lines) which correspond remarkably well to the four main sub-plots that take place simultaneously during the course of the play. The arrows link the highly inter-communicative individuals and groups. Notice that Prospero, the central figure to the play, is also central to the plot structure. We know that Shakespeare intended him to orchestrate the entire drama as it unfolded by manipulating the various characters, either by personal contact or through his bonded spirit, Ariel. One could even suggest that the configuration of points allows for a dimension of "pragmatism/romanticism" to be drawn from the boatswain to Miranda and Ferdinand; and a second dimension of "non-human" and "unworldly/human" and "worldly" might run from the Caliban sub-group to the Lords. Were this a rigorous interpretation in literary research, we might formulate a hypothesis which does indeed attempt to explain Shakespeare's psychological motivation for writing the play. A separate structural breakdown of each Act would indicate how the characters behaved as the plot unfolded, thereby creating a dynamic visual representation of the entire course of the play.

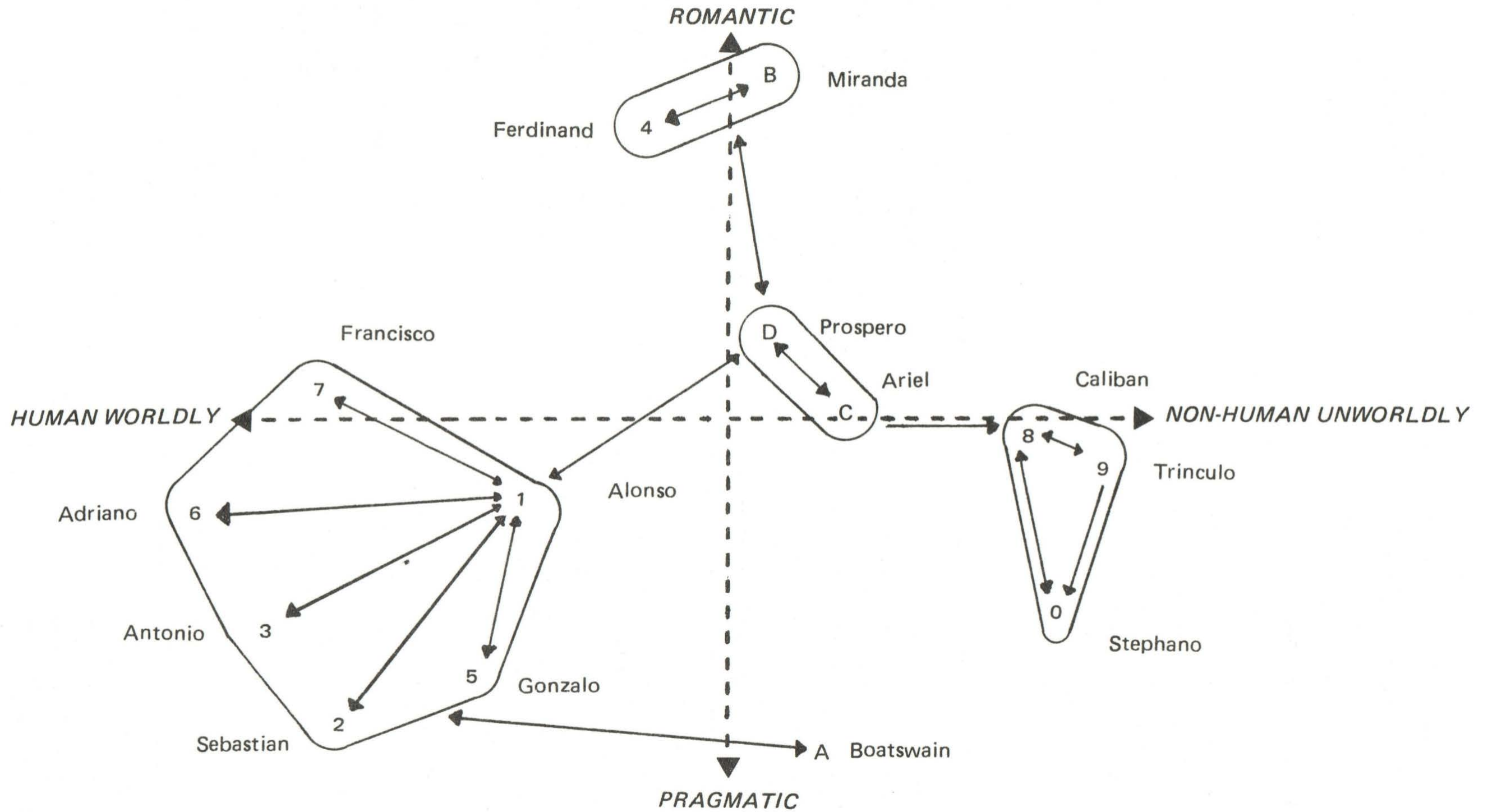
Even allowing for the frivolous nature of the last example, it has been shown that data which is neither behavioural in form nor particularly detailed in terms of measurement properties could provide an adequate base for identifying structure and organization. The examples themselves have not been specifically behavioural or historical, but the applications for historical research are evident, and need not be limited to behavioural analyses.

Naturally, scaling analysis has been used extensively in the behavioural disciplines, particularly psychology, geography and political science. The many routines available have been tailored and refined to accommodate all forms of data which require analysis. Outside of these disciplines, scaling has been applied in diverse ways, from predicting the locations of pre-historical remains in archaeology<sup>94</sup> to pinpointing weaknesses in college soccer games.<sup>95</sup> It has been found to be a valuable interdisciplinary tool for revealing order in data structure, but through misuse and misunderstanding it could prove to be another number-crunching, academic gimmick. The use of scaling procedures in any discipline should require at least a basic understanding of the mathematics involved, and an awareness of the structural processes which could underlie the data. Scaling, and other similar techniques,<sup>96</sup> should not be considered as gimmicks, but as valuable diagnostic tools which may shorten time spent on analysis and, more importantly, help to reveal underlying structure. Misuse of such procedures only adds fuel to the argument that numerical analysis has no part in the traditionally qualitative area of historical research.



Figure 8

RECONSTRUCTION OF SHAKESPEARE'S *THE TEMPEST*



Source: see text.



Certainly this paper shows that an understanding of behaviour is important in the study of entrepreneurship. The use of multi-dimensional scaling routines may not necessarily make this area of inquiry less qualitative, but it might make it more accessible to the historian, at least in terms of identifying the role of behavioural inputs into entrepreneurial studies.

In conclusion, let me end with Prospero's apologia:

If I have too austere punished you,  
Your compensation makes amends; for I  
Have given you here a thread of mine own life,  
Or that for which I live; whom once again  
I tender to thy hand.

#### NOTES

1. G. Olsson, "Inference Problems in Locational Analysis," in K.R. Cox and R.G. Golledge (eds.), *Behavioral Problems in Geography* (Evanston, 1969), 14-35. In the switch in geography from examining large-scale aggregates to individual and group "behaviours", Olsson claims that there will be less stress on the geometric outcome of the "game" and more stress on the "rules" which govern the moves of the "actors" who populate the "gaming table", leading to a better understanding of the cause-effect relationships which are relevant to the decision-makers.
2. Rosenau's original classification listed "personality" as the central organizing idea of psychology. This is very limiting, given the breadth of the other disciplines' foci, so "human behaviour" (which encompasses personality) was substituted.
3. G. Wynn, "Industrialism, Entrepreneurship and Opportunity in the New Brunswick Timber Trade," *this volume*.
4. F.W. Remiggi, "'La lutte du clergé contre le marchand de poisson': A Study of Power Structures on the Gaspé North Coast in the 19th Century," *this volume*.
5. R.E. Ommer, "Nouvelles de Mer: The Rise of Jersey Shipping, 1830-1840," *this volume*.
6. P.C. Felt and L.F. Felt, "Capital Accumulation and Industrial Development in Nineteenth Century New Brunswick: Some Preliminary Comments," *this volume*.
7. D.A. Sutherland, "The Personnel and Policies of the Halifax Board of Trade, 1890-1914," *this volume*.
8. G.E. Panting, "Cradle of Enterprise: Yarmouth, Nova Scotia, 1840-1889," *this volume*.
9. The term "perception" strictly speaking should refer to the receipt of sensory information, whilst "cognition" refers to the understanding and classifying of that information. The terms are quite often used synonymously in the social sciences, and no specific distinction between them will be made for this paper. The term "environment" includes all physical and structural elements exogenous to the individual, whilst "milieu" is more encompassing and includes all elements of the individual's surroundings, such as perceptual and cultural elements. These terms will be used in their proper context.
10. T.F. Saarinen, *Environmental Planning: Perception and Behavior* (Boston, 1976), 10.
11. R.M. Downs, "Geographic Space Perception," *Progress in Geography*, II (1970), 84.
12. Saarinen, 11.
13. H.C. Brookfield, "On the Environment as Perceived," *Progress in Geography*, I (1969), 51-80.
14. B.S. Silberman, "Bureaucratic Development and the Structure of Decision-making in the Meiji Period: The case of the Genro," *Journal of Asian Studies*, XXVII (Nov. 1967), 81-94.



15. M. Bloch, *The Historian's Craft* (Manchester, 1954), 151.
16. P. Laslett, *The World We Have Lost* (London, 1965), 239.
17. L. Stone, "Social Mobility in England 1500-1700," in D.K. Romney and J.Q. Graham (eds.), *Quantitative History* (Georgetown, Ont., 1969), 261.
18. D. Alexander, "Some Introductory Thoughts on Entrepreneurship," *this volume*.
19. A.G. Finley, "The Morans of St. Martins, N.B., 1850-1880: Toward an Understanding of Family Participation in Maritime Enterprise," *this volume*.
20. *Ibid.*
21. *Ibid.*
22. Ommer, *this volume*.
23. Felt and Felt, *this volume*.
24. Wynn, *this volume*.
25. D. Alexander, during the second day's discussion at this conference.
26. D. McDougall, "The Shipbuilders, Whalers and Master Mariners of Gaspé Bay in the Nineteenth Century," *this volume*.
27. Remiggi, *this volume*.
28. LeBreton, "Les Blackhalls: Histoire d'une Famille et de son Influence," *this volume*.
29. *Ibid.*
30. Wynn, *this volume*.
31. See the papers by Sutherland, Felt and Felt, and E.W. Sager, "The Merchants of Water Street and Capital Investment in Newfoundland's Traditional Economy," *this volume*. For discussions in a wider context, see T.W. Acheson, "The National Policy and the Industrialization of the Maritimes, 1880-1910," *Acadiensis*, 1, No.2 (Spring, 1972), 3-28, and R.T. Naylor, "The Rise and Fall of the Third Commercial Empire of the St. Lawrence," in G. Teeple (ed.), *Capitalism and the National Question in Canada* (Toronto, 1972), 1-42.
32. Sutherland, *this volume*.
33. *Ibid.*
34. *Ibid.*
35. Sager, *this volume*.
36. *Ibid.*
37. *Ibid.*
38. *Ibid.*
39. Remiggi, *this volume*.
40. Panting, *this volume*.
41. *Ibid.*
42. C. Miller, "A Knight in Business: Some Aspects of Sir F.W. Borden's Business Affairs, 1896-1917," *this volume*.
43. L.R. Fischer, "'An Engine, Yet Moderate': James Peake, Entrepreneurial Behaviour and the Shipping Industry of Nineteenth Century Prince Edward Island," *this volume*.
44. Miller, *this volume*.
45. Fischer, *this volume*.
46. *Ibid.*



47. Remiggi, *this volume*.
48. *Ibid.*
49. *Ibid.*
50. *Ibid.*
51. Miller, *this volume*.
52. *Ibid.*
53. P. Bilkey, *Persons, Papers and Things* (Toronto, 1940), 101, quoted by Miller, *this volume*.
54. *Ibid.*
55. L.R. Fischer, opening remarks to oral presentation, this conference.
56. Fischer, *this volume*.
57. *Ibid.*
58. *Ibid.*
59. *Ibid.*
60. *Ibid.*
61. *Ibid.*
62. *Ibid.*
63. P.L. Payne, *British Entrepreneurship in the Nineteenth Century* (London, 1974), 25.
64. Letter from Charles Robin to Philip Robin, 1 October 1800, written from Paspebiac; contained in letterbooks of Charles Robin & Co., in possession of Arthur LeGros of Paspebiac.
65. Miller, *this volume*.
66. See R.J. Barnett and R.E. Muller, *Global Reach* (New York, 1974), for further discussion of corporate anonymity.
67. K. Matthews, personal communication, 29 March 1978.
68. Finley, *this volume*.
69. Felt and Felt, *this volume*.
70. *Ibid.*
71. *Ibid.*
72. *Ibid.*
73. Wynn, *this volume*.
74. *Ibid.*
75. Sager, *this volume*.
76. *Ibid.*
77. *Ibid.*
78. *Ibid.*
79. See C. Palmer, "Behavioural Geography: Its Foundations, Trends and Developments" (Unpublished monograph, Dept. of Geography, McGill University, 1976) for a fuller discussion of relevance and irrelevance of the behavioural approach, and the philosophical position of behaviourism in research.
80. For one of the best, and most relevant examples of this point, see P. Burroughs, *British Attitudes Towards Canada, 1822-1849* (Scarborough, Ont., 1971).



81. McDougall, *this volume*.
82. *Ibid.*
83. The term "structure" is used loosely in this paper, and refers to the way data can be seen to be organized such that order can be identified.
84. MDSCAL is J.B. Kruskal's Multi-Dimensional Scaling Algorithm. It is one of the many iterative procedures designed to operate within a "single space." For a fuller discussion see J.B. Kruskal, "Multi-Dimensional Scaling by Optimizing Goodness of Fit to a Non-metric Hypothesis," *Psychometrika*, XXIX (1964), 1-27; and Kruskal, "Multi-Dimensional Scaling: A Numerical Method," *Psychometrika*, XXIX (1964), 115-129.
85. For a full but simplified review of M.D.S. and the uses of the various procedures (including MDSCAL), see R.G. Golledge and G. Rushton, "Multidimensional Scaling: Review and Geographical Applications," Assoc. of Amer. Geographers Commission on College Geography, *Technical Paper No. 10* (Washington, D.C., 1972).
86. If the rank orders cannot be maintained, or if a structure does not exist, a configuration will be presented, but the corresponding stress value for all dimensions will be so high that the researcher would be able to identify a meaningless solution. However, even if the rank orders cannot be maintained, i.e., condition (a), this doesn't necessarily mean no structure exists; rather, a paradox may exist (such as in a preference study where A is better than B, B is better than C, but C is better than A).
87. The three main measurement classes of data — nominal (recorded as presence or absence), ordinal (rank orders, 1st, 2nd, etc.) and interval (precise values, 2.4, 5.9, etc.) — possess greater powers of description (and hence measurement) as one moves from the nominal scale to the interval scale. Although it was possible to input interval values (i.e., the actual inter-point distances) in this example, the ordinal values were used as input, as often in behavioural (and I'm sure in historical) research, obtaining precise measurement is difficult. Thus I have weakened the descriptive powers of the input data purposely.
88. For a full explanation of stress, goodness of fit and dimensionality, see Golledge and Rushton, 7-14.
89. The greater the number of points being scaled, the tighter the ordinal constraints on the final solution. Therefore, the metric inter-point distances calculated for the final solution will be subject to less "error" as number of points increases.
90. This conclusion was made by Ommer, *this volume*; in order to assess the degree of preferential trading bias in the network, she suggested that the effects of spatial separation, in terms of time taken to travel each leg, could be filtered out using an iterative least-squares procedure used in transportation research (see her footnote 8).
91. W. Shakespeare, "The Tempest," in *The Works of Shakespeare* (Odhams Press edition, London, n.d.), 149-202.
92. As inter-personal communication in a play (whether measured in the number of words, lines or stanzas spoken) is not a very strong indication of similarity/dissimilarity, it is probably necessary to convert interval data (actual number of lines spoken) into ranked data (1 indicating the two characters who interact most, 2 indicating the second most communicative pair, and so on).
93. As this is just a demonstration, the other two representations are not discussed. However, it is possible for us to visualize a three-dimensional solution, even though MDSCAL cannot draw it. Just imagine a box with height, breadth and width (the dimensions) and inside are suspended small balls (the points) in mid-air, and each ball having a measure on each of the three dimensions. Unfortunately, four and five dimensional solutions are difficult to visualize, although they can be calculated.
94. See in particular W.R. Tobler and S. Wineberg, "A Cappadocian Speculation," *Nature*, CCXXXI (May 1971), 158-159, and D.G. Kendall, "A Mathematical Approach to Seriation," *Phil. Trans. Royal Society* (London, 1970), 125-135.
95. The coach of the Pennsylvania State University soccer team "commissioned" a scaling analysis



to be performed for several of his team's games in order that underlying weaknesses could be found. The objects scaled were each of the twenty-two (home and away) players; interaction being measured any time the ball went from one player to another. This analysis was performed several times during each game so that ameliorative strategies could be assessed; P.R. Gould, personal communication, 1976.

96. Such as simulation, interaction models, non-metric regression, conjoint measurement, etc.



## 20. DISCUSSION FOLLOWING THE PAPER OF C. PALMER

FISCHER stressed the utility of applying different perspectives to historical situations. Scholars from many disciplines make assumptions about history but seldom make them clear. This should be a basic requirement for any type of serious academic inquiry.

PALMER agreed and hoped that an increasing interdisciplinary focus would help to alleviate the problem.

MATTHEWS asked if it would be possible to construct a set of behavioural profiles of the entrepreneurial class which would allow us to piece together a picture of the range of behaviours which differentiate this group from other groups in society.

PALMER agreed that it would be useful to construct such a profile using behaviour as the primary criteria. He suggested that FISCHER'S entrepreneurial behaviour model might be helpful in this regard. Such a model would also have to take into consideration the sorts of components that PANTING dealt with in his paper on Yarmouth.

PANTING suggested that some other questions needed to be explored as well, including a number of demographic and political variables.

REMIGGI reminded participants that such a model would have applicability in helping to make cross-cultural comparisons.

FISCHER suggested that it should be possible to construct a model of entrepreneurial behaviour which will work through time. He went on to question PALMER'S definition of production as being equal to the function of land, labour, capital, and entrepreneurship, arguing that this might be inappropriate in explaining the "failure" of development in the Atlantic region.

ALEXANDER also wondered about the inclusion of entrepreneurship in the production equation. If you look at the United States, there is less regional variance and greater output per head than in Canada. How do you explain that? If it's a question of entrepreneurship, then you would have to ask why it is more evenly distributed in the United States than in Canada. The answer could be that resources are more evenly distributed, or it could be, as Roy George has suggested, because of a lack of entrepreneurship. Why is there this lack? Because Nova Scotia has too many Scots? This is a bit unbelievable, so the basic question is whether that fourth variable, entrepreneurship, is a passive variable – something that is in fact always present and evenly distributed, but not called out in some environments because of a lack of opportunities. Why, for example, are there suddenly more entrepreneurs in Calgary than in Halifax or St. John's? The answer is obvious: there are greater opportunities in Calgary at present to make money. This suggests that entrepreneurship should be treated as a constant rather than a variable.

OVERTON questioned the applicability of terms like "success" and "failure" to regional and national questions. It is necessary to get past that to look instead at the



general structures of uneven development. Moral judgements about success and failure are not the appropriate point at which to begin such an inquiry. An alternative would be to begin by looking at the various ways in which regions are integrated into an evolving economic structure; entrepreneurs, as SAGER suggested, should be examined in that context. Behaviouralism taken out of context has been severely criticized by a number of commentators.

JANNASCH pointed out that the discussion had still not helped him to understand why, for example, the shipbuilding industry declined dramatically in Atlantic Canada in the 1880s while at the same time the Norwegians were rapidly expanding their shipping industry. The English and Germans were also able to make the transition to steam while people in eastern Canada did not. Where did all the entrepreneurs go? Certainly many left, to look for expanded opportunities in the United States and other parts of Canada. The lure of these regions was probably quite strong, particularly after the onset of hard times. The failure to modernize may also have been caused by an inability to reorganize company structures or to purchase more advanced equipment. A small population and a tradition of individualism might also have been factors. Finally, many people in the region seem to have lost initiative in the period, especially in comparison with the residents of countries like Norway.

PANTING suggested that a key to understanding entrepreneurs is to comprehend their motivations. This can best be done on the level of the individual, since aggregates often obscure subtle factors.

WYNN hypothesized that perhaps there was a real shift in the character of life in the region about 1880 which might help to explain the regional decline. Prior to that date innovation and entrepreneurship were products of innate skills and capacities, while after that date an increasing reliance upon trained people possessing technological skills was required. Lacking these skills, the people of Atlantic Canada were left somewhere on the fringe. It might therefore be useful to look for structural change in the late nineteenth century and to evaluate its effects upon the region.

BUCKNER suggested that one of the reasons for confusion on the part of the participants might be that the wrong questions were being asked. The questions that have been posed are often far too general. As well, there has been a tendency to ask "why didn't people do what they didn't do" rather than "why did they do what they did." This last question is by far the most immediate for historians. Those who study the past should also be careful to frame their questions in historical terms.

SAGER reiterated that even in Newfoundland during the last few decades of the nineteenth century, the redirection of capital and skills away from the maritime sector occurred within a particular context. In this case, individuals were confronted with a plethora of opportunities. The future in fields such as mining, agriculture and manufacturing, for instance, seemed brighter than it did in shipping. This convinced many investors to shift their emphasis away from the sea. That is why "they did what they did." It was successful in their terms, even if hindsight persuades us that it was unfortunate.



ALEXANDER accepted BUCKNER'S position, admitting that in more normal times such a position would be defensible. But there are times when historians have to be ahistorical in the strictest sense of the term because the society in which they are living faces a very serious crisis. This is such a time.







