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# An Introduction to the Economic History of the Maritimes (including Newfoundland and New England)

H. A. Innis

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## AN INTRODUCTION TO THE ECONOMIC HISTORY OF THE MARITIMES (INCLUDING NEWFOUNDLAND AND NEW ENGLAND)

By H. A. INNIS

At a period in the history of the Empire when economic aspects are the subject of so much discussion it is perhaps necessary to apologize for attempting to contribute further to an understanding of the causes of the Empire's growth from that point of view. My excuse follows from a continued interest in the subject arising out of the conclusions of a study on the fur trade. This paper is presented therefore as an analysis of the growth of the fishing industry, and as an attempt to apply conclusions reached in a study of the fur trade, to a study of the relationships between that industry and the expansion of the Empire.

We may begin by noting briefly the outstanding changes of the period prior to 1783. By that date realignments in control over North America had resulted in the practical disappearance of France from the continent, the control by England of the northern portion of the continent formerly controlled by France and the emergence of an independent power in the southern portion formerly controlled by England. Control of the northern area concerned primarily in the production of fur as a staple, of a portion of the seaboard concerned primarily in the production of fish especially Newfoundland, and of the tropical regions in the British West Indies producing sugar, remained within the highly efficient industrial area of Great Britain.

In this paper we are more immediately concerned with the area which has been dominated by the fishing industry and again we may note that at present four separate governments are interested in the fisheries of the North Atlantic, namely the United States in New England, Canada in the Maritime provinces, France in the islands of St. Pierre and Miquelon, and Newfoundland. It is significant that Newfoundland has continued throughout its history in allegiance to Great Britain and that New England played an active role in the struggle against the control of Great Britain. These developments on the seaboard suggest striking contrasts with development on the continent. The fur trade for example was characterized by centralization of organization whereas the fishing industry has been characterized by decentralization.

A brief survey of the geographic background is essential to an understanding of the general developments of the period. The cod has been of central importance in the development of the fishery. It is one of the most prolific of fishes and a female thirty to forty inches long will produce 3,000,000 eggs. Generally the cod spawns in less than thirty fathoms of water and the eggs hatch on the surface, the most favourable temperature being between 40° and 50° F. To float, the eggs require a fairly high salinity such as is provided in the open sea rather than in the Gulf of St. Lawrence. The newly hatched fry feed chiefly on plankton near the surface of the water for probably two months and then take to the bottom and the range through later stages of growth varies from twenty to seventy fathoms. As a result of these characteristics the industry is restricted as to areas and

seasons. The range of depth restricts the industry to the vast submerged portion of North America known as the continental shelf and to certain portions of the coast line. The coastal plain to the south of New York which became important for the production of the staple products of cotton and tobacco was submerged to the northeast of New York within recent times to a depth of about 1,200 feet and became important for the production of fish. The *cuestas* of this plain have survived as the banks of the fishery and the high ridges of more resistant rocks have survived in the coast of New England, the peninsula of Nova Scotia, and the island of Newfoundland. The plain extends northeast from the Gulf of Maine to the Grand Banks of Newfoundland. Temperature is scarcely less important than depth and the Labrador current from the north and the Gulf Stream from the south are important determining factors. The disappearance of ice formed along the coast of Labrador and Newfoundland in spring is followed by the migration of cod to the north. Fishing may begin during the winter months on the banks in the Gulf of Maine, in April on the Grand Banks, and in June along the coast of Newfoundland. A further geographic factor should be noted from the standpoint of technique. Contact between the Gulf Stream and the Labrador current is responsible for the greater frequency of fogs on the coast between the State of Maine and Nova Scotia, in the neighbourhood of the Grand Banks, and the straits of Belle Isle. These areas are consequently more favourable for the prosecution of the green fishery while areas without fog in Newfoundland and the Gulf are more favourable to the dry fishery.

The technique of the industry is scarcely less important than its geographic background. Dry fishing involved catching the smaller fish near the shore with boats, or the larger fish on the banks with ships, salting the product and finally washing out the salt, and drying the fish on the beach or on specially built staging. Wet fishing involved catching the fish near the shore or on the banks, but chiefly on the banks, salting and sending it to market. The larger bank fish were less suited to drying. In the main the fish were carried to market, in the case of the bank fishery by the ships which caught the fish especially if the ships came from Europe, or in the case of the dry fishery by the ship bringing the men and boats from Europe, or by trading ships. In both types the unit of the industry was small and depended ultimately for its efficiency on the individual fisherman. But the bank fishery required large ships whereas the dry fishery on shore was prosecuted by small boats. Since the ship was the largest technical unit and the initiative of the individual fisherman was of paramount importance large central organizations, such as characterized the fur trade, were absent. As a result the history of the fishery was characterized by slow and gradual movements in which the underlying factors included the relative efficiency of fishing areas, especially in relation to nearness to the fishing grounds, technique, and markets. Moreover the supplies of fish were practically inexhaustible. The ultimate developments were the result of the continuous and powerful operation of economic forces and were not subject to the sharp changes which characterized the fur trade.

With this brief survey of the geographical background and of the technique of the fishery we may attempt a survey of the outstanding characteristics of the history of the fishery. The first century in the history of the contact between the New and the Old World witnessed far-reaching changes of fundamental importance to the fishery. The French fish-

ery became relatively important early in the century and was carried on by ships from the channel and Bay of Biscay ports to the north in the neighbourhood of the straits of Belle Isle and to the south of Newfoundland and probably in the gulf. Apparently about 1540 the bank fishery was added. The Portuguese prosecuted the fishery to the south of Newfoundland throughout the period. The Spanish fishery increased rapidly after about 1545 but declined rapidly toward the end of the century. It is significant that these countries were primarily concerned with the development of wet fishing and with supplying the home market. They developed the fishery in the neighbourhood of the banks and in areas less suitable to dry fishing. Located in more southerly regions they had access to cheaper supplies of salt which was obtained by evaporation from the ocean and as continental countries they sent out ships from a relatively large number of scattered ports and brought back the larger fish for an important home market.

Toward the end of the century the rise in prices in Spain which followed the influx of treasure led to the development of an import trade in fish and to a decline of the Spanish fishery. Consequently countries formerly engaged in producing for the home market began to produce dry fish for the Spanish market. The technique of fishing changed from a direct importation of salt green fish to be dried at home for the home market to the drying of fish in the producing area to be exported direct to Spain. The rise in importance of dry fishing in the new world corresponded closely with the decline of the Spanish fishery in Newfoundland and the opening of the Spanish market. French ports, especially St. Jean de Luz and La Rochelle, became interested to an increasing extent in the Spanish market. England suddenly found that a disadvantage in the lack of a cheap supply of salt in green fishing became very much less serious because of the smaller demands for salt in dry fishing. Ports in the west country dried the smaller cod of the Newfoundland coast, sent the finished product to Spain and returned to England with iron, specie, and Spanish goods. The fishery began its long history as a nursery for seamen, a market for English manufactured products, especially woollen goods, and a means of securing specie from Spain.

By the end of the century the west country ports had become established in the Avalon peninsula in Newfoundland and French ships had penetrated to the areas of the gulf, especially the Gaspé peninsula, suitable for the production of dry fish. In developing the dry fishery France came in contact with the resources of the interior and after 1600 the fur trade<sup>1</sup> was added to the fishing industry. The revolution which followed the influx of treasure into Spain ended with the development of trade in the dry fishery and with the entrenchment of England in Newfoundland, and the penetration of the French into the gulf and the continent. A final result followed with the expansion of the English fishery to the shores of New England early in the seventeenth century.

<sup>1</sup> Dr. H. P. Biggar has pointed out the relationship between dry fishing and the fur trade. It is interesting to note that the northern ports were interested primarily in the green fishery and the Paris market and that the capital acquired through this fishery was adequate to support the dry fishery to Gaspé and Spain and in turn the fur trade. The early fur trading companies originated in Rouen, Dieppe and northern ports and included the southern ports after strong protests had been made. Indeed the early difficulties of the fur trade followed from the widespread prosecution of the fishery by the coast ports of France. The fur trade developed along its own lines only after the amalgamations had been achieved by Champlain. The decentralized organization of the fishery was adapted with difficulty to the centralized organization of the fur trade.

The outstanding characteristics of the fisheries of France and of England were evident in the developments of the sixteenth century. The French fishery was essentially the result of the continental character of France by which a large number of ports scattered along the coast were engaged in producing for a large home market. The bank fishery tended as a result to predominate and the dry fishery was added as a minor branch. Protestant England on the other hand was an island with a relatively small and declining market for fish and trade in fish was fundamental to the expansion of the British fishery. The dry fishery consequently was of paramount importance. Dependence on trade tended to emphasize geographic advantages of distance and the west country assumed a key position in the development of the fishery on the coast of the Avalon peninsula in Newfoundland. Whereas ships from the numerous scattered ports of France carried on the fishery over a wide territory in the New World the ships of the narrow portion of England in the West country concentrated on a small portion of Newfoundland. With the dry fishery and trade the West country became rooted to the coast line of Newfoundland. The Avalon peninsula became in some sense a cornerstone of the British Empire from the standpoint of territory, trade, shipping, seamen, industry, agriculture and finances. England with limited resources especially in salt concentrated on dry fishing for foreign trade in a restricted area of Newfoundland nearest to herself whereas France with diverse resources and cheap supplies of salt prosecuted the fishery over a wide area with special emphasis on the home market. The self-sufficiency of a continental area contrasted strikingly with the essential demands for trade of an island area. The characteristics of France as a self sufficient area pointed out by Montchretien<sup>2</sup> in 1615 and elaborated by Vidal de la Blache were of fundamental importance to her position as an empire on the Atlantic. A large land area with diversity of resources dependent on wide ranges of climate and other geographical factors tended toward self-sufficiency in contrast with a relatively small island with scarcity of raw material, an inadequate home market and essential dependence on trade.

The second century in the history of the English fishery was marked by a sharp bifurcation in New England and Newfoundland. The history of Newfoundland stood in sharp contrast to that of New England. The short fishing season in Newfoundland and the limitations of the area from the standpoint of agriculture and lumber were factors militating against settlement. Companies for the establishment of colonies from England failed as decisively in the first half of the seventeenth century as in the early years of the sixteenth. Throughout the century settlement increased slightly and the fishery was conducted by fishing ships which returned annually with their complement of fishermen to the West country. The Act of 10 and 11 Wm. III, c. 25, "An act to encourage the trade of Newfoundland," passed in 1699, outlined and sanctioned the position of the fishing ships from the West country in Newfoundland.

Although the century was characterized by control over the Newfoundland fishery from England certain suggestive tendencies of divergence were in evidence. In spite of legislation dominated by the west country settlement had increased. Fishing ships arrived with a larger number of men for the conduct of the fishery than were necessary for the hand-

<sup>2</sup> Antoyne de Montchretien, *Traité de l'oeconomie politique dédié en 1615 au Roy et à la Royne Mère du Roy*, par Th. Funck-Bretano (Paris 1889).

Vidal de la Blache, *The Personality of France*.

ling of the ship. In contrast to the fur trade ships tended to come out light and to return loaded with dry fish, and whereas the fur trade attempted to restrict outward bound cargo and increase homeward bound cargo the fishing industry attempted to increase outward bound cargo to balance homeward bound cargo. In spite of the cost of providing supplies to carry residents over the winter in Newfoundland the tendency toward settlement was shown in the rise of the byeboatkeeper. With expansion of the fishery and the cutting off of timber suitable for building stages and flakes, men were left over the winter to watch the increasingly valuable property. The importance of individual initiative in the fishery led to the emergence of the byeboatkeeper as a separate owner for whom ships brought out labour known as passengers. Even the legislation of 1699 was forced to recognize his position.

The inevitable tendencies of the fishery which became evident in Newfoundland were of overwhelming importance in New England and indeed through New England contributed to the changes in Newfoundland. The marked migration to New England was stimulated by fishing vessels anxious to take out a cargo of colonists. The effects of the fishery on settlement in New England in the first half of the sixteenth century was similar to the effects of the lumber industry on settlement in Canada after 1820 and in striking contrast to the effects of the fur trade in discouraging settlement. In relation to the imports of bulk raw materials settlers provided an excellent return cargo. The striking contrast between New England and Newfoundland was a result of the abundance of supplies characteristic of a more southerly location. Agriculture, lumbering and shipbuilding flourished in New England in response to the demands of the fishery. The importance of the control of the Newfoundland fishery in the West country was paralleled in the importance of direct control in New England. Industry, trade, a nursery for seamen, a means of acquiring specie were as important to New England as to England. The possession of diversified resources led to a profoundly different type of development from that which characterized Newfoundland. Indeed the growth of New England contributed to the establishment of settlement in Newfoundland. Provisions and supplies were sold in Newfoundland in return for bills of exchange and Newfoundland became a channel by which fishermen migrated from England to New England. The results were described by Sir Josiah Child in his *A new discourse on trade*, written in 1665 and followed by several editions to 1694. "Certainly it is the interest of England to discountenance and abate the number of Planters at Newfoundland for if they should increase it will happen to us as it hath to the fishery of New England which many years since was managed by English ships from the Western ports, but as plantations there increased fell to the sole employment of the people settled there and nothing of the trade is left the poor old Englishmen but the liberty of carrying now and then by courtesie or purchase a ship-loading of fish to Bilboa when their own New England ships are better employed or not at leisure to do it. New England is the most prejudicial to this kingdom because of all the American plantations His Majesty has none so apt for building of shipping as New England, none comparably so qualified for the breeding of seamen not only by reason of the natural industry of that people but principally by reason of their cod and mackerel fisheries and in my poor opinion there is nothing more prejudicial and in prospect more dangerous to any mother country than the increase of shipping in her colonies, plantations or prov-

inces. . . . All our American plantations except that of New England produce commodities of different natures from those of this kingdom as sugar, tobacco, cocoa, wool, ginger, sundry sorts of dyeing woods, etc. Whereas New England produces generally the same we have here viz., corn and cattle, some quantity of fish they do likewise kill, but that is taken and saved altogether by their own inhabitants, which prejudices our Newfoundland fish. . . . the other commodities we have from them are some few great masts, furs, and train oil, of which the yearly value amounts to very little, the much greater value of returns from them being made in sugar, cotton, wool, tobacco and such like commodities which they first receive from some other of His Majesty's plantations, in barter for dry cod-fish, salt mackerel, beef, pork, bread, beer, flower, peas, etc., which they supply Barbadoes, Jamaica, etc., with, to the diminution of the vent of those commodities from this kingdom; the great experience of which in our own West India plantations would soon be found in the advantage of the value of our lands in England, were it not for the vast and almost incredible supplies those colonies have from New England. The people of New England, by virtue of their primitive charters being not so strictly tied to the observation of the laws of this kingdom do sometimes assume the liberty of trading, contrary to the Act of Navigation by reason of which many of our American commodities especially tobacco and sugar are transported in New English shipping directly into Spain and other foreign countries without being landed in England or paying any duty to His Majesty, which is not only a loss to the King and a prejudice to the navigation of old England; but also a total exclusion of the old English merchant from the vent of those commodities in those ports where the New English vessels trade, because there being no custom paid on those commodities in New England and a great custom paid upon them in Old England it must necessarily follow that the New English merchant will be able to afford his commodity much cheaper at the market than the old English merchant; and those that can sell cheapest will infallibly engross the whole trade sooner or later." "—of ten men that issue from us to New England and Ireland what we send to or receive from them does not employ one man in England." But Child was an ancestor in direct line of Adam Smith, "to do right to that most industrious colony, I must confess, that though we loose by their unlimited trade with our foreign plantations, yet we are very great gainers by their direct trade to and from Old England. Our yearly exportations of English manufactures, malt, and other goods from home thither amounting in my opinion to ten times the value of what is imported from them—and therefore whenever a reformation of our corresponding in trade with that people shall be thought on, it will in my poor judgment require great tenderness and very serious circumspection." Such "great tenderness and very serious circumspection" were not at hand.

It is unnecessary to emphasize to historians, certainly to economic historians, the difficulties of deciding upon any precise date at which a given period ends or begins and the century mark can only be suggested for purposes of convenience. The constitutional historian or the military historian may perhaps choose the dates of treaties, acts and battles as precise measuring points but the economic historian is interested rather in the slow accumulation of forces which take place and gather headway long before they have been crystallized in events which are of special interest to the

constitutional historian. The cumulation of forces responsible for the important developments in the eighteenth century has its roots deep in the seventeenth and in the sixteenth centuries.

Before the end of the seventeenth century the New England fishery had expanded to the outlying banks and to the shores of Nova Scotia. With all the year round open ports, earlier fishing and larger fish New England had expanded her production and her markets. The advantage of a base in close proximity to the fishing grounds and the possibility of using small fishing vessels provided New England with an elasticity and a flexibility in her fishery which was impossible for France or for England. Consequently pressure both in markets and in the fishing grounds from Newfoundland in the north and New England in the south forced the French in the treaty of Utrecht to retreat in Newfoundland and Nova Scotia to Cape Breton. Nova Scotia became what Mr. Brebner has happily called *an outpost of New England*. The importance of the bank fishery for the French as Denys found to his cost proved a serious check to the establishment of settlement.

The expansion of the New England fishery and in turn of the shipbuilding industry and trade was accompanied by an extension to the south as well as to the north. Trade began with the southern colonies and in their staples, and with the British West Indies, which started in the second half of the seventeenth century to produce sugar as a staple product. An additional market was opened with the importation of slaves from Africa, for dried cod, especially the poorer grades, and for agricultural products, and lumber and, in the transport of these products, for ships. New England had developed an important trading nucleus with characteristics similar to those of England and with the same advantage of cheap all the year round ocean transport. In certain markets such as the West Indies and indeed in Newfoundland she had the advantage of location over England.

The advantages of these two areas in the growth of shipbuilding, industry, and trade were basic considerations behind the increasing competition which became an outstanding feature of the eighteenth century. The earlier advantage of England in more advanced industrial technique became steadily less important in competition with New England. The Navigation Acts formulated in the latter part of the sixteenth century contributed to the expansion of New England and in turn were outgrown. The political structure of the old Empire hardened and became inadequate to meet the demands of a slowly shifting economic structure. The signs of strain became evident in the West Indies. Pitman in his able work, *The development of the British West Indies 1700-1763* (New Haven, 1917) has pointed out the importance of the increasing influence of the West Indies planters in Great Britain and the clash which arose between the interests of the planters and of the North American colonies in the Molasses Act of 1733. And in turn he has suggested forcibly the difficulty of confining an expanding producing area such as a New England to a small group of islands for the marketing of its products or for the purchasing of its returns. The results were not immediately decisive but led to an increase in smuggling and disrespect for political control.

The expansion of New England shipping and trade to the south which contributed to the difficulties of the old Empire was accompanied by an expansion to the north which led eventually to the disappearance of the French Empire in North America. As in the interior of North America the



French fur trade was being pinched out to the north from Hudson Bay and to the south from the British colonies so in the fishing areas the French fishery was faced with competition from Newfoundland in the north and New England in the south. The expansion of New England in the fishery was hastened by the invention of more efficient vessels such as the schooner about 1713 and the retreat of the French from Nova Scotia. The activity of New England in the capture of Louisburg<sup>3</sup> in 1745 was an indication of pressure from that direction and the inevitable disappearance of France followed in 1763. The disappearance of France was followed inevitably by increasing competition between England and New England. The political structure became more rigid and the Molasses Act was followed by the Sugar Act of 1764, by the Quebec Act of 1774 and Palliser's Act of 1775. The result was the emergence of the colonies as an independent unit.

The realignment of boundaries in 1783 especially in the Maritimes is a source of continual interest. The marginal ground of Nova Scotia ceased to be an outpost of New England and we may hope that Mr. Brebner will at some time give us a complementary history of Nova Scotia an outpost of England. The developments in the period after 1713 which characterized the New England fishery at Canso and the French fishery in Cape Breton are suggestive. It is significant that the New England fishery proved unable to establish itself successfully in the face of Louisburg competition. The evidence suggests strikingly that New England had not solved the problem of combining small schooners with a boat fishery. Consequently New England schooners were engaged on the banks near Canso but the dried fish was inferior to that produced by the adjacent boat fishery at Louisburg and was not satisfactory for the high priced Spanish market. New England had in some sense reached a geographic limit with her specialized technique for the production of the best grades of fish. The geographic limitations of the New England fishery in view of the requirements of the prevailing tendency that the fishery was conducted with greatest efficiency from the land nearest the fishing grounds led to the establishment of Nova Scotia as a separate unit.

New England tended to become more effective in trade to Cape Breton and to Newfoundland, than in the fishery. Aside from the general trends already described which led to the disappearance of the French the fishery at Louisburg had interesting characteristics. The attempt to establish a sedentary fishery contrasted sharply with the attempt to check a sedentary fishery in Newfoundland. The fishing ship fishery especially from St. Jean de Luz and Biscay ports continued to demonstrate its efficiency because of the lack of supplies other than obtained chiefly by smuggling from the English colonies including Acadia, whereas the boat fishery dependent on those areas had an uncertain existence. The boat fishery continued to increase in Newfoundland because of larger supplies of provisions obtained from New England. France having started along the lines of retreating from the dry fishery and concentrating on the bank fishery found it impossible to turn back at Cape Breton and Louisburg. The attempts to increase settlement in Louisburg failed in the face of the efficiency of fishing ships from France while the attempts to check settlement in Newfoundland failed in the face of the increasing efficiency of the boat fishery. The contrast between France as a self-sufficient unit dependent

<sup>3</sup> See J. S. McLennan, *Louisburg from its foundation to its fall* (London, 1918), *passim*.

on the bank fishery and the home market and England as a trading unit dependent on the dry fishery and the foreign market becomes increasingly sharp throughout the period.

By the end of the eighteenth century the ultimate effects of the fishing industry had been worked out as seen in the American revolution, in the settlement of the Maritime provinces, and in the expansion of settlement in Newfoundland. The revolution practically brought the fishing ship fishery in Newfoundland to an end and in turn was responsible for the marked growth of settlement. Newfoundland saw the beginning of the end of a policy described by William Knox in 1793, "The island of Newfoundland had been considered in all former times, as a great English ship moored near the Banks during the fishing season for the convenience of English fishermen. The governor was considered as the ships captain, and all those who were concerned in the fishery business as his crew, and subject to naval discipline while there, and expected to return to England when the season was over." The Judicature Act was passed in 1791 and eventually a permanent court was established in 1809 (49 Geo. III c. 27). The position of private property was steadily strengthened (54 Geo. III c. 45, 1811).

Throughout the whole area the outstanding characteristic of technique proved of first importance. The fishery was conducted with greatest efficiency in the area nearest the fishing grounds. The period is marked by a gradual drift in which New England rapidly assumed independence and Newfoundland very much more slowly. The importance of the individual fisherman was emphasized throughout. Coke's argument early in the development of the New England fishery regarding the monopoly of Sir Ferdinando Gorges was typical of the history of dry fishing. "Your patent contains many particulars contrary to law and the liberty of the subject; it is a monopoly and the ends of private gain are concealed under colour of planting a colony; to prevent our fishermen from visiting the sea coast for fishing is to make a monopoly upon the seas which are wont to be free; if you alone are to pack and dry fish you attempt a monopoly of the wind and sun." It is significant that Faneuil Hall, the cradle of American liberty, was built from the profits of a successful merchant in the fishing industry. The scattered character of the fishing grounds, the importance of individual initiative, the relatively short seasons and dependence on a foreign market were factors leading to the growth of a strong sense of local importance in scattered communities. Metropolitan centres grew up with difficulty in fishing areas and were subject to continual competition by cheap water transportation from other centres. It was not an accident that the strong sense of economic and political independence led to the growth and establishment of representative institutions in New England and in turn, as Livingston<sup>4</sup> and Martin have pointed out, to the evolution of responsible government in Nova Scotia. But if the trend toward responsible government which contributed to the breaking up of the old empire in New England and to the establishment of the New Empire through Nova Scotia characterized those areas, the weakness in the growth of metropolitan centres contributed to the control of the West country in England over

<sup>4</sup> Chester Martin, *Empire and Commonwealth: studies in governance and self-government in Canada* (Oxford, 1929), passim.

W. R. Livingston, *Responsible government in Nova Scotia: A study of the constitutional beginnings of the British Commonwealth* (Iowa City, 1930), passim.

Newfoundland and to the long and painful character of Newfoundland's evolution. It is important to emphasize these characteristics of the Maritimes to understand their position in Confederation and their attitude toward central Canada which has in its turn emerged from a fundamentally different background. The tendency toward centralization in continental Canada is in sharp contrast with the tendency toward decentralization in the Maritimes. It is unnecessary to refer to the part which individuals from the Maritimes have played as a result of their outlook in leavening the lump at the centre.

Throughout this paper an attempt has been made to emphasize the continuous and powerful effects of the underlying technique of industry on the economic, social and political activities of the communities concerned. It has been assumed that the pull has been outwards from the land and that the frontier of New England history was toward the sea and not as Turner has suggested toward the land.<sup>5</sup> The Appalachians have been given an unnecessarily important position as a barrier to New England expansion to the interior. The fishing industry provided a direct outward pull to the activities of the Maritimes and it is significant that exploration to the interior of Canada became important only at the end of a century and that the interior of Newfoundland<sup>6</sup> is still largely an unknown land. An incidental result of this tendency was shown in the hostilities with the native populations. The bitter wars of New England and the extermination of the Beothic in Newfoundland contrasted strikingly with the fur trade and dependence on friendly relations with the Indians. The activities of the Maritimes area were concerned with the coast and the submerged continental shelf and not with the interior.

The fishing industry especially as related to the production of dried cod and in turn to trade was of fundamental importance to the development of diverse activities. As a food product dried cod was in constant demand and as a product of the sea the supply was continuous. It was consumed chiefly in non-agricultural tropical areas and its production involved ships, sailors, a highly industrialized community, an agricultural community and trade with tropical areas. The old captain in Sarah Orme Jewett's *The country of the pointed firs* emphasized the importance of agricultural products to a fishing community. "It ought to read in the Bible 'Man cannot live by fish alone' if they'd told the truth of things; t'aint bread that wears the worst on you." Through the fishery trade between tropical and north temperate countries or between areas with an absolute advantage in production was stimulated. Specie was added to the temptation of the advantages provided by sugar and salt. In addition to building up a fleet for the carrying trade as well as for the support of the navy and to serving as a nursery for seamen it provided specie by which

<sup>5</sup> See F. J. Turner, *The frontier in American history* (New York, 1921), esp. ch. II.

<sup>6</sup> "Horses cannot go far in because there is no grass except on a few of the more slow-moving rivers, and men can only carry on their backs supplies for a short journey. But the principal reason, at least it seems so to me, is that the Newfoundlander being purely a fisherman, and delighting only in the acquisition of the harvest of the sea, knows and cares little about possible farm lands. Moreover he has always been unable to build light draught canoes of tough wood, because no wood capable of withstanding the rocks of the rivers is to be found in the island. He is also clumsy in the rivers, and unable to use a pole like the Indians. Perhaps he gets a few miles up an easy river in his punt, but on meeting with difficulties, such as the breaking of his soft wood boat, readily gives up the task. He has any amount of pluck but no skill on the rivers. Though all at home at sea, he is all at sea at home." J. G. Millais, *Newfoundland and its untrodden ways* (London, 1907), pp. 228-9.

England and New England were able to build a money economy and a highly integrated trading and industrial community. Capitalizing the advantages of cheap water transport the relatively small unit of the fishing or the trading ship was a powerful driving force for trade. Ships managed by individuals were continuously searching for cargo and seeking out new commodities and channels of trade. Cod was the basis for a strong and flexible economy which demanded and provided a wealth of individual initiative.

Its social effects may be suggested in the following monologue of our sea captain in his lament over its disappearance. "I see a change for the worse even in our own town here; full of loafers now, small and poor as it is who once would have followed the sea, every lazy soul of them. There is no occupation so fit for just that class o' men who never get beyond the fo'cas'le. I view it, in addition, that a community narrows down and grows dreadful ignorant when it is shut up to its own affairs, and gets no knowledge of the outside world except from a cheap, unprincipled newspaper. In the old days a good part o' the best men here knew a hundred ports and something of the way folks lived in them. They saw the world for themselves, and like 's not their wives and children saw it with them. They may not have had the best of knowledge to carry with 'em sight-seein' but they were some acquainted with foreign lands an' their laws, an' could see outside the battle for town clerk here in Dunnet; they got some sense of proportion. Yes, they lived more dignified, and their houses were better within and without. Shipping's a terrible loss to this part o' New England from a social point o' view ma'am. . . . No there's nothing to take the place of shipping in a place like ours. These bicycles offend me dreadfully; they don't afford no real opportunities of experience such as a man gained on a voyage. No: when folks left home in the old days they left it to some purpose, and when they got home they stayed there and had some pride in it. There's no large-minded way of thinking now; the worst have got to be best and rule everything."

In the emphasis on the type of economy built up in relation to the fishery and its independent growth we are led to consider the position of the Maritimes in the British Empire after the main alignments had been reached. The new empire included on the Atlantic two staple-producing areas namely Newfoundland and the British West Indies producing respectively cod and sugar. After some debate as to whether an addition should be made in the production of sugar by taking Gaudaloupe it was finally determined that a new commodity fur from Canada should be taken. The experience of the old empire in relation to Newfoundland and the British West Indies is suggestive. In Newfoundland the control of the West country was of paramount importance in the development of the fishery, and legislation<sup>7</sup> was guided in the interests of such towns of the West country as Dartmouth and Poole. Such control was possible because of the dependence of Newfoundland on one staple commodity. In the West Indies Pitman has shown again that the planters were able to obtain similar legislation in their favour. In the fur trade similar direct relationships developed with astonishing rapidity. The mercantile interests concerned with the staples had sufficient influence to mould legislation in their favour. The political structure was not sufficiently elastic to meet the demands of a rapidly expanding and competing economic organization

<sup>7</sup> See Prowse *passim*.

such as was involved in New England. Legislation concerned with the conservation of the staple industries became increasingly serious with the expansion of communities becoming less dependent on staples. In a sense vested interests wrecked the old empire and saved the new. The dominant forces however go much deeper. Great Britain as an island with relatively small population and low consuming power became efficient in the handling of staples for trade as well as for home consumption. Fish was sold to a large extent in Spain, Portugal and the Mediterranean, fur and sugar were re-exported to the continent. Lumber was given a preference chiefly for the home market. The weakness of areas depending on a staple necessitated an efficient marketing system and supplies of capital from the consuming and trading area. Concentration on staples assumed consumption of manufactured products imported from more highly efficient producing areas. The production and export of staples assumed efficient water transportation. The relation between the production of staples in outlying areas and the political control at the centre exercised by mercantile interests directly concerned with trade in staples was an important factor in the period after the American revolution. But Great Britain became to an increasing extent an industrial as well as a trading area especially with the development of railways and the demand for cheaper raw materials became an increasingly powerful factor. Adam Smith wrote, "As it is the power of exchanging that gives occasion to the division of labour, so the extent of this division must always be limited by the extent of that power, or in other words, by the extent of the market."<sup>8</sup> Capital began to pour out in increasing quantities to new areas after the Napoleonic wars to provide new supplies of raw material and new demands for manufactured goods. The strongly rooted individualism which led through New England to the break-up of the old Empire and contributed to the French revolution finally provoked the passage of the reform bills in England and the growth of responsible government. The reform bills cleared the way for the destruction of privileges enjoyed by staple producing areas in the political structure and even the protests of the lumber interests were of little avail in the steady revision which led to the emergence of free trade and the disappearance of the Navigation Acts.

The influence of the sea and its industries has declined with the growing importance of land and the railways. The staple producing areas have continued and increased in strength with their dependence on railways, to mention only the case of wheat in Canada. It remains to be seen whether the new Empire will be endangered by the inelasticity of economic and political structure created by a new and more powerful set of vested interests or whether the elasticity and flexibility of the political and economic structure which has been an important contribution of the fishing industry will prevail.

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<sup>8</sup> L. H. Jenks, *The migration of British capital to 1875* (New York, 1927), ch. II.