

# Economic Dislocation and Resiliency on Prince Edward Island: Small Producer, Distant Markets

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## Abstract

In some ways the story of post-Confederation Prince Edward Island can be told as a search to find a replacement for the Island's shipbuilding industry. For much of the nineteenth century, the export of locally constructed wooden sailing ships underpinned the colonial economy, providing widespread employment, enabling a profitable carrying trade and financing consumer expenditures. But in the late 1870s, the local shipbuilding industry essentially collapsed, squeezed between declining ship prices and freight rates, rising costs and competing technologies. Afterwards, the Island economy struggled to sustain itself, hampered by persistent out-migration, a small resource base and the state's financial incapacity. Several new initiatives did provide partial answers to the Island's economic dilemma. A case study of four industries – lobster fishing, fox farming, the seed potato industry and tourism – frames the issues facing Prince Edward Island in the century after 1873 and the strategies that the Islanders adopted to address them.

## Introduction

Societies create collective storylines in order to justify their presents by reference to their pasts. The stories are simple and durable, linking heritage with identity, and rather than adapting themselves to changing times, the times have a tendency to adapt to them. Prince Edward Island (PEI) shares one such storyline with other island societies in the Atlantic Region, notably Newfoundland and Cape Breton: a master narrative of

intrinsic, internal virtue struggling against convenient external vice. In this species of scapegoating, virtue's failure to triumph, for example, in the quest for sustainable economic prosperity, can be traced to the blunders or self-serving machinations of malign outside influences: Old Country fishing merchants, 'absentee proprietors', misinformed and misguided imperial policymakers and, more recently, a combination of 'foreign owned companies'<sup>1</sup> and 'Ottawa mandarins' (both political and managerial).<sup>2</sup> These sorts of storylines may be convenient and culturally satisfying – they even have the ring of truth – but they inevitably obscure or ignore complexities and counter-narratives.

So it is with the storyline floated for Prince Edward Island's economy in the century and a half since Confederation. It is familiar to many for it resembles the regional narrative. Parts of the plot had already fallen into place by the 1870s and the finished narrative was received truth by the end of the Maritime Rights movement in the 1920s.<sup>3</sup> This is how it goes. Between the achievement of internal self-rule in 1851 and Confederation with Canada in 1873, 'The Island'<sup>4</sup> enjoyed a Golden Age of political autonomy and economic prosperity. The two were obviously if indistinctly connected. Like the rest of the region, the 'wood, wind and sail' economy mainly exported staple goods to international markets, primarily in Europe and the United States. Agriculture expanded as settlement spread across the 1.4 million acres of (mostly) arable land. A local fishery, shifting emphasis from cod to mackerel, finally found traction.<sup>5</sup> Forests were converted into exports or into wooden sailing ships. And shipbuilding both provided the hulls for Island exports and constituted the most lucrative export of all. Working from over 176 different locations, wherever water, wood, labour and capital might be brought together, Islanders led British North America in *per capita* construction of vessels in the middle decades of the century, finding markets mostly in the United Kingdom.<sup>6</sup> Colonists began to discover a distinctive 'Island' identity amid their imperial, ethnic and religious loyalties: an intensely parochial identity and yet also, in some measure cosmopolitan, given the international basis of its trade.<sup>7</sup>

The plot thickens. After a decade of 'splendid isolation' from British America's Confederation project, the little British colony was literally railroaded into Confederation, driven reluctantly into union by the ruinous cost of constructing a trans-island railway.<sup>8</sup> Political re-colonization was accompanied by economic stagnation. Federal policy privileged central Canadian interests over those of Prince Edward Island, and the Island's international export economy

waned into an inconsequential coasting trade. Iron and steam at last conquered wood, wind and sail and the Island's wooden shipbuilding industry quickly capsized, dealing the Island's economy a mortal blow. Stagnation followed. The resource sector remained static or shrank. A 'timber famine' killed the forest industry. Western wheat flooded commodity markets and Island farmers could not compete except in regional niche markets. The fishery struggled with both catch and price. Investment capital – such as it was – fled the province. So did Islanders. Decades of out-migration in search of economic opportunity emptied the Island's farms, sapped its collective self-confidence and robbed it of its best talent.<sup>9</sup> The provincial government, meanwhile, was reduced to haggling with Ottawa in a quest for federal funds and consideration.<sup>10</sup>

And amid all of this, the Islanders ... endured. They coped. They made do with what they had. They preserved the old ways. They clung to their pride in the face of others' condescension. What they did *not* do in this storyline was deliberately set out to regenerate the post-shipbuilding economy. They did not create or innovate or generate new wealth. It was just this sort of passivity that Beck assigned to the Maritime region in a 1977 article.<sup>11</sup>

The master narrative is not so much inaccurate as incomplete. It regards the so-called 'golden age' as normative rather than exceptional. It ignores the special external factors that did so much to foster Island prosperity in the first place, even as it castigates outside forces for the province's eventual decline. It turns a wilful blind eye to *internal* considerations, such as the resource limits dictated by the physical environment. But it also glosses over the actual response on Prince Edward Island to the economic dislocation that bedevilled the post-Confederation decades. For Islanders did not just sit stoically by, arms folded, while their economy languished. They reacted vigorously, at times inventively, to the shifting political and economic landscapes of the Western world in the quest for economic regeneration. Four case studies illustrate this trope of economic resilience: the rapid rise of the shellfish industry in the 1880s; the invention of the silver fox industry in the 1890s; the innovative seed potato industry of the 1920s; and the gradual emergence of a tourism industry that rendered the Island's failure to industrialize a triumph of pastoral traditionalism. None of these innovations delivered complete economic regeneration, but, taken together, they suggest a stubborn resilience, a population seriously grappling with economic dislocation rather than simply learning to live with it.

## The lobster boom

Some time around 1909, Archibald J. Macdonald of Georgetown, retired shipbuilder, merchant, fish packer and politician, reviewed the post-Confederation decade in his native province. 'About this time,' he wrote, 'also passed away the building of ships and it looked as if there was nothing for labour and commerce. A few years of hard times was followed by the rise of the Lobster fishing ...'<sup>12</sup> It would deliver economic salve, if not salvation.

Lobster in the nineteenth century was considered a luxury food in urban America and Europe. It had always been abundant in Island waters, but until the adoption of canning technology in the province, there had been no way to match supply with demand. The Island was simply too far from major markets to compete in any live lobster trade, and there was no way to preserve the cooked product until the introduction of lobster canning.<sup>13</sup> The first reference to lobster canning in the province appeared in the late 1850s, but it was only in the late 1870s, just as the shipbuilding industry was imploding, that lobster factories began to proliferate along the Island coast. In 1873 there were two lobster-packing plants in the province. By 1879 there were 35. Two years later, there were 118.<sup>14</sup>

It is tempting to link the coincidental collapse of shipbuilding with the rise of lobster; in 1877 and 1878, while the Island's shipbuilding output fell by two-thirds, the Island's lobster pack more than doubled, from 640,000 to 1.6 million pounds, and its value more than tripled, from C\$99,600 to C\$330,000. But it is not yet proven that Island shipbuilders were shifting their capital from ships to canneries. Certainly, outside capital was instrumental in the creation of a lobster-canning industry, but there were ship-owners involved as well, though not the most prominent ones. It does seem that the earliest canneries were located primarily in areas along the Northumberland Strait coast, where there was no strong tradition of commercial fishing, suggesting that local fishing merchants were not leading the way.<sup>15</sup> Arguably, then, the industry was founded by outside interests and local investors not encumbered by heavy involvement in either shipbuilding or fishing enterprises.

In any case, success tends to be contagious. Islanders quickly piled into the rising industry. In 1881, 6.5 million pounds of lobster were canned in the Island's 118 factories, greater than the combined pack of Nova Scotia and New Brunswick.<sup>16</sup> All at once the province had become

the Dominion's leading lobster packer. That year the value of the Island fishery reached C\$1.95 million, nearly seven times the 1873 figure. In 1873, the lobster industry had been worth C\$10,600. In 1881, it accounted for C\$1.2 million – 60 per cent – of the fishery's total value. In less than a decade, lobster fishing had gone from nothing to become the backbone of a greatly expanded Island fishery. So it would remain. Between 1880 and the new millennium, lobster would generally comprise between 60 and 70 per cent of the total value of the Island's fishery, which, in turn, would consistently rank as the province's second or (in more recent decades) third most lucrative industry trailing only agriculture and tourism.<sup>17</sup>

For a brief, shining moment in the early 1880s, it might have seemed that the lobster fishery would succeed shipbuilding as the driver for sustained prosperity. Instead, uncomfortable realities soon took the wind from the industry's sails. By the end of the decade, the fishery had gone from boom to crisis as over-fishing and under-regulation threatened to destroy lobster stocks and poor quality control in canneries threatened the high-end markets. By 1888, the value of the fishery had fallen by over 50 per cent to C\$877,000. The industry soon stabilized, but it would take 60 years for its annual earnings to rival the numbers from 1880–3. Even so, the lack of other economic alternatives continued to put demographic pressures on the lobster fishery. The number of canneries continued to rise, peaking at 246 in 1900, before government regulation, thin profit margins, transportation changes and market developments began steadily to curb their numbers.<sup>18</sup> Although greater numbers and greater effort did not yield higher catches or higher profits, lobster fishing became a seasonal income supplement for thousands of Island farmers practising occupational plurality, and cannery work proffered a rare opportunity for local employment outside the home to generations of Island women. In fact, instead of driving people out of the fishery, hard times tended to drive them to it. For example, the number of fishermen actually climbed by 50 per cent during the Great Depression of the 1930s, while the number of lobster traps rose from 278,000 in 1929 to 426,000 in 1937.<sup>19</sup> The long period of stasis in the lobster fishery ended abruptly in the 1970s, even as governments were trying to coax Islanders out of the fishery. Beginning in the late 1970s, a sharp – still unexplained – upturn in lobster landings and suddenly buoyant prices keyed a new lobster boom that persisted into the new millennium.<sup>20</sup>

Opportunity, technology and economic need had conspired to create a lobster-canning industry on Prince Edward Island in the late

1870s just as the province's keystone industry was failing. For many decades thereafter, the lobster-canning industry provided practically the only factory setting in a mineral-poor, energy-strapped province. If it failed to deliver economic salvation, the lobster industry, like the lobster themselves, proved surprisingly resilient. But there were natural limits to the industry, boundaries set by seasonality, fish stocks and fluctuating market prices. Moreover, Island lobsters had little that set them apart from those caught elsewhere in North America, no intrinsic quality to lend them a competitive advantage. Island foxes did.

## The fox bubble

A well-worn adage argues that to corner a market a producer must be first, best or only. For a time the Island's silver fox industry was all three. Fox farming came to be seen as a livestock industry and in that sense is best understood within the context of post-Confederation agriculture. Given the high proportion of arable land on Prince Edward Island, it was a given to both policymakers and newcomers that farming should be the central activity for settlers. While ships became the most valuable Island export, the combined value of domestic consumption and export of agriculture was no doubt greater. Grain (which did not grow particularly well on Island soils) was the main international export by the mid-nineteenth century, but potatoes and livestock also found important regional markets.<sup>21</sup>

The eclipse of the shipbuilding industry and a rising population placed fresh pressure on agriculture in the post-Confederation period. Island farmers responded in various ways. While a new generation of farm-improvement societies, the Farmers' Institutes, tried to make farmers more productive, farmers pushed more land into production. The proportion of 'improved' land peaked in 1911, and the proportion in crops in 1921. Encouraged by government, small, mixed farms leaned increasingly towards some form of specialization. In the early 1890s, Dominion Dairy Commissioner James Robertson catalysed the creation of a self-conscious dairy industry by promoting community-owned butter and cheese factories, and in 1900 the provincial government established its own Department of Agriculture to encourage the Island's most important industry.

Behind the trends, meanwhile, a romantic story of individual innovation and ingenuity was unfolding. The black fox, with its sable pelt and silver guard hairs, was a mutation of the red fox, rare enough in

the wild for its pelt to fetch handsome prices from the Western world's fashion elites. Over the course of the 1890s, working in great secrecy on a small island near Alberton in western Prince Edward Island, Charles Dalton and Robert T. Oulton found a way to do something no one else in the world had yet done: breed black foxes in captivity. By 1900, their experiment was producing a reliable supply of premium-quality 'silver fox pelts', which they carefully fed into international fur markets. The profit margins were astounding. At a London fur sale in 1900 a single pelt brought C\$1,807, and in 1910 Dalton and Oulton sold 25 pelts for C\$34,649. That year, the average annual wage for an Island farm labourer was C\$319.20.<sup>22</sup>

At the turn of the century, Dalton and Oulton had made a private compact with four other pioneer fox breeders in western Prince Edward Island. In order to prop up fur prices by controlling supply, this 'Big Six Combine' agreed not to sell live breeding foxes outside of their small circle. When their monopoly broke down in 1910, the emphasis abruptly shifted from selling fox pelts to selling live foxes to a growing mob of local and Mainland investors eager to create their own fox farms and cash in on the fur-farming bonanza. The resulting mania was intense, if brief. Between 1911 and 1914, breeding stock might sell for as much as C\$20,000 a pair. By 1914, 312 fox ranches (though with only 4,587 foxes) had been incorporated in the province, valued – on paper – at C\$26 million. According to the *Canadian Annual Review* for 1913, Island farmers had withdrawn C\$4.5 million from savings' banks: 'As the people became restless and dissatisfied to some extent, farms were mortgaged and crops hypothecated.'<sup>23</sup>

The bubble burst in August 1914 with the outbreak of the Great War, which fatally compromised the luxury fur market in Europe and America. But the industry quickly organized and stabilized, and with the return of peace, fox farming took its place as an apparently entrenched livestock industry with other smaller industries – fox food manufacturers, fox pen makers, how-to manuals for beginners, fox ranch security providers – orbiting around it. Being first in a new industry requiring special expertise gave the province a considerable head start, and during the interwar period, Prince Edward Island remained the international headquarters of the fox industry. In 1923 there were 448 registered fox farms in the province. By 1929, there were 727 registered fur farms (almost all of them fox ranches) in the province, exporting both live foxes (6,703, valued at C\$1,096,863) and pelts (6,824, worth C\$643,789). Fox farms typically did not provide many new jobs; according to the *Canada Year Book* for 1924, the 458 registered

fox ranches in the province sported only 247 employees (compared to the fishery's 3,000 seasonal jobs in 1925). But the industry's sales were mostly off-Island and that brought new money into the economy, approximately C\$1.74 million in the record year of 1929.

The actual impermanence of the fox industry was exposed only by the Great Depression. Because it was one of the few Island industries that retained any value during the global collapse of commodity prices, more and more Island farmers dabbled in foxes, usually without much reference to the organizational control that the Canadian Silver Fox Breeders Association sought to exert.<sup>24</sup> The live fox market had already withered, predictably, as mainland ranches developed their own stock, and Island breeders in desperate search of an income began to pelt more and more of their foxes. Quality inevitably suffered, and as the marketplace became glutted, prices sagged. Changing fashions did not destroy the fox industry so much as the loss of the exotic exclusivity that had given silver fox pelts their value. If the butcher's wife could afford a foxskin stole, why would the movie star want to buy one? Thus, an Island industry that had once been first, only *and* best lost its competitive advantage and then its markets. While postwar promotional films would continue to push silver foxes, their day was done. And when the industry staged a modest revival in the 1980s, the anti-fur lobby soon dealt it a second death blow.

As with lobster, the silver fox industry had taken a raw material and added value to it – in fox farming's case by domestication and selective breeding – in order to overcome the province's built-in disadvantages of being a small producer with distant markets. Without abandoning the small, mixed-farming model that defined the Island farmscape, agriculture had embraced and exploited an Island-based innovation to claw back a little of the prosperity lost in the stagnation of the post-Confederation period. The fox industry had been entrepreneurial and adaptable, though not, as it turned out, durable.

It is easy to romanticize the silver fox industry, and perhaps that encouraged more sober observers to dismiss it. For Clark, writing in the 1950s, it was a brief flash of minor celebrity in the larger story of Island agriculture.<sup>25</sup> But it is difficult to ignore the symbolic importance of the fox industry in the interwar period, when Prince Edward Island could credibly pose as a major player in an international luxury industry. It was that sense of lustre that prompted the government of Prince Edward Island to add to its automobile licence plates a slogan (the first province in Canada to do so) that paired 'Foxes' with another specialized Island export, 'Seed Potatoes'.



## Inventing 'Spud Island'

While it is true that as far back as 1820 William Cobbett famously scorned Prince Edward Island as 'that lump of worthlessness . . . that bears nothing but potatoes', it is only in the past 90 years that the province has become synonymous with the tuber.<sup>26</sup> The twentieth-century penchant for sloganeering – witness 'Spud Island' – is partly responsible for the association. However, it also owes much to the emergence in the 1920s of the seed potato industry as a direct response to the inherent challenges facing Island agriculture. Introduced to the colony by British settlers in the 1770s, the potato quickly rooted itself in the Island's rural culture. Hardy, nutritious and high yielding, the potato was perfectly adapted to the Island's loose, sandy soil and cool climate, and the sets could easily be planted among the stump-fields of pioneer farms. Potatoes were a vital food crop for settler families. Even the smallest farms had an acre or two of potatoes.

Almost as soon as subsistence farming began to yield potato surpluses, Island farmers began to export them as table stock to feed fishing and lumbering communities across the Atlantic region. After 1890, however, potato acreage declined. According to one commentator, 'low prices and high costs hobnobbed together'.<sup>27</sup> The quasi-biblical descent of the Colorado potato beetle in the 1880s, encroachment by 'foreign' weeds, and high transportation costs drove up costs and lowered yields.<sup>28</sup> But there was also little room for growth in traditional potato markets within the region, and little progress in fulfilling Island legislator Joseph Read's 1909 prediction that Prince Edward Island 'was destined to be the great potato country of the world'.<sup>29</sup> But that was about to change.

The Island's seed potato industry blossomed through a series of partnerships.<sup>30</sup> In 1920, 160 Island farmers banded together to form a producer cooperative, the Prince Edward Island Potato Growers' Association. Its main objective was to promote and market certified seed potatoes, potatoes used to plant new crops. In this it received critical support from the Dominion Experimental Farm in Charlottetown, which provided plant research and the all-important certification, and the provincial Department of Agriculture, which lent both office space and personnel.

The association made the first shipment of its 'Garden of the Gulf' seed potatoes in 1920. With an eye to the higher prices (on average double the local price for table stock, according to the association)

and expanding markets, hundreds of Island farmers quickly paid their C\$2.00 membership fee to the association and registered for seed production.<sup>31</sup> The industry's growth was uneven, but there was no mistaking the general trend. In 1920, Islanders had planted 36,000 acres of potatoes. The 1928 figure was 51,890 acres, 32,000 of it registered as seed.<sup>32</sup> The Potato Growers' Association handled 1.37 million bushels of potatoes that year and did C\$2.1 million worth of business.<sup>33</sup> Like the fox industry, but in a different way, the Depression dealt the fledgling seed potato industry a heavy blow. Prices collapsed, from an average price of C\$1.50 per hundredweight for seed in 1929 to as low as 18 cents for seed in 1931 and 12 cents for table stock. Forced to find storage for 500,000 bushels of unsold potatoes in 1931, the Potato Growers' Association lost money and credibility from which it struggled to recover. By 1935, it had gone out of business.<sup>34</sup> For the next 40 years, potato acreage held more or less steady while Island farmers rode out cycles of surge and slump.<sup>35</sup> By the time potato acreages began to climb once more, the whole nature of the industry had changed. Monoculture, mechanization and farm consolidation had transformed the farmscape, and frozen food processing had overtaken table stock and seed potatoes as the demand driver for growth. Island potatoes fed more and more consumers, but potato income fed fewer and fewer farmers.

But all of that was for the future in 1929, when potatoes, especially seed potatoes, were being crowned the king of Island cash crops. The seed potato industry had aggressively addressed the Island's double dilemma of being a small producer with distant markets. High-quality seed, certified free of disease, could command premium prices that would offset high shipping costs. Over the course of the 1920s, Prince Edward Island positioned itself as a major supplier for America's mid-Atlantic and southern states, which had difficulty generating their own seed stock. Not only did its soil and climate produce excellent potatoes, but because it was a small island, it was arguably better situated than mainland producers to avoid diseases that might damage seed stock (and to contain outbreaks should they occur). Just as important, the boundedness of being an island was easy to brand. Island potatoes may not have been much different from mainland ones, but it was easy for consumers to conceptualize them as such. In marketing its seed potatoes, Prince Edward Island had marketed its geographical liabilities as assets. Instead of being peripheral and isolated, the province was insulated against contagion by its 'islandness'. The same logic would inform the way in which it sold to the world its nascent tourism industry.

## Packaging the pastoral

Like the rest of the Western world, Prince Edward Island discovered in the nineteenth century that ‘place’ could be an attraction, that people would pay to come and experience a landscape and culture that was different from their own – or which hearkened back to an imagined place from their own past. There was still a product to be packaged and sold, and distance remained an economic consideration, but tourism brought consumers to the product rather than the other way around. What was ‘exported’, through tourism advertising, was an image of something, not the thing itself.<sup>36</sup>

The challenges for any tourism industry were similar: to identify the potential attraction(s), to persuade visitors they should – and could – come, to get them conveniently to the tourist sites, to provide them with the amenities they desired and to convince them to come back. All of these considerations were already at play in the earliest known references to tourism promotion in the province. In October 1858, Albert Catlin, the newly appointed American consul in Charlottetown, reported on the colony’s touristic possibilities in his annual report to the Secretary of State. Once rail and steamship communication was opened with the Island through Saint John, New Brunswick, he wrote, ‘I will venture to say that our citizens can come here and spend three months in summer in as pleasant and healthy a country as exists in any part of the world.’<sup>37</sup> The following autumn, the Charlottetown *Islander* took up the theme in an editorial:

There is another class of American Citizens whose attention we would invite to this Island – that class which comprises the wealthier Merchants and gentlemen, who, with their families, are in the habit of travelling Northward in the Summer season, in search of a healthy and agreeable retreat from the enervating effects of climate, and to recruit their health. We know of no more beautiful or more healthful place than this Island from the month of June to the end of October; and we are satisfied that its many advantages only require to be known in order to its becoming the favorite watering hole of North America.<sup>38</sup>

A month later, Catlin was lamenting ‘the want of a good Hotel, conducted on the American principle’ to cater to ‘those whom business or pleasure induce to visit the colony’.

Within a decade the earliest tourist resorts had opened. The majority were located along the Island's 'North Shore', within easy reach, by rail and carriage, of Charlottetown or Summerside, the principal ports of entry. For already tourism promoters had settled on what they considered the Island's two greatest attractions for visitors: the health benefits of fresh air and salt-sea breezes and the restorative charm of the Island's pastoral landscape. 'To lie down,' wrote Beatrice Rosamund in *The Canadian Magazine*, 'stretched out luxuriously on the side of the sand bank and to gaze idly over the dancing waters of the Gulf of St. Lawrence is to be insensibly drifted into a state of contented rest ... Here peace spreads her wings over the white beach which fringes a green and undulating landscape.'<sup>39</sup> Garden metaphors had long abounded in literature about the province and by 1900 the term 'Garden of the Gulf' was gaining advertising currency.<sup>40</sup>

In 1900, when Raymond's travel article was published, Island tourism remained a minor industry, attracting a few thousand visitors a year, but during the interwar period, as the automobile began to transform the North American tourist experience, the industry self-consciously professionalized. A lasting tourist association, a private organization with modest public funding, was formed in 1923.<sup>41</sup> It continued to refine its message. In common with Nova Scotia, a new, anti-modernist trope gained ground in the Island's tourist literature.<sup>42</sup> In this sort of imaging game, Prince Edward Island's failure to industrialize served it in good stead. It had seemingly skipped straight from a pre-industrial to a post-industrial phase of development. Increasingly, the pastoral landscape was equated with a pastoral, traditionalist culture. For the Island was not only rural, it was rustic, and that identity posed a stark contrast to the angst-ridden, dog-eat-dog world of urban North America. Instead of being 'behind the times', Island culture was promoted as being somehow 'outside of time'. Nostalgia would now deepen the appeal of refreshing climate and soothing landscape. The Island would eventually package and promote its own heritage for tourists, but in the beginning, it encouraged visitors to invest the tourist landscape with their own personal heritage. In an odd way, they came to the Island to find themselves.

Through her many Island-based novels, world-famous author L.M. Montgomery did much to disseminate the pastoral romance of her native Island culture, but it was best articulated in a 1939 essay. 'Perhaps change comes more slowly in Prince Edward Island than elsewhere,' she wrote. 'We are not hide-bound or overly conservative but we do not rush madly after new fads and fashions because they *are*

new.' Islanders, she selectively averred, possessed old-fashioned virtues: 'Loyal and upright in dealing, hospitable ... oh, *how* hospitable! ... with a sense of responsibility and a little decent reserve still flowering fully on the fine Old Country stock.'<sup>43</sup> Here, then, was the tourist 'Islander' of the twentieth century: old-fashioned but not reactionary; intensely local but not parochial; dignified yet hospitable; paradoxically prideful and modest; reflexively 'authentic' but not 'quaint'.

As with the seed potato industry, islandness now became a virtue. Separation from the mainland served as a sort of a cultural preservative as well as a physical marker of distinctiveness. The sea passage to the Island even became part of the place's allure, providing a marker of 'otherness' that is part of an island's mystique for visitors.<sup>44</sup> But island tourism also requires that tourists have a reliable, efficient way to get to their island destination, and during the interwar period that requirement increasingly became the driver in local demands for improved ferry services between Prince Edward Island and the mainland. The Boards of Trade explicitly made the connection in a brief to the Royal Commission on Transportation in 1949: 'The tourist business, with our natural advantages, is capable of being developed into a third great industry. Given adequate transportation facilities, our very isolation, which is such a handicap to us in the development of other industries, can become an asset in relation to the tourist business.'<sup>45</sup>

And so, by a process of accretion, Prince Edward Island had by 1945 established a tourism image that bound together its climate, landscape and culture into an experiential package. The stage was now set for the province to exploit the phenomenal growth of the global tourism industry in the postwar period. From an estimated 30,000 visitors in 1949, the province would top 200,000 by the end of the next decade and over a million per year by the end of the century.<sup>46</sup>

The durable marketing tropes developed in the nineteenth century and refined in the twentieth persist in the twenty-first in the current 'Gentle Island' tourism advertising campaign. So, it seems, do the industry's limitations. As with the fur industry, a small province does not get to dictate cultural trends. 'Gentle islands' do not always compete well with 'What happens in Vegas stays in Vegas'. Like agriculture or lobster fishing, tourism also suffers from seasonality. Despite its best efforts to expand the tourist season, Prince Edward Island has not shed its image as a summer destination. Beyond climate, small-scale tourism promoters can do little about seasonal weather patterns, currency fluctuations, rising fuel costs or global economic swings.

But to make too much of the limitations would be to deny agency to Island entrepreneurs. Tourists had not simply discovered Prince Edward Island. The province's tourism promoters had groped their way to a clear sense of what the Island had to sell to visitors. They were active, not passive, participants in the struggle to overcome the province's physical challenges, to turn economic lemons into lemonade.

## Conclusion

Each of these four attempts at economic regeneration soon found limits to its potential growth. In the end, none completely succeeded in breaking down the built-in limitations of the province's resource base or its reliance on federal transfers to make ends meet. Instead of a comfortable living, lobster fishing, fox farming, seed potatoes and tourism provided for most participants a valuable seasonal supplement to their income. Yet each stubbornly confronted the essential geographical dilemma of the Island's economy. Prince Edward Island is a small island on the margin of a great continent. For much of its history, winter ice conditions in the Northumberland Strait magnified its isolation and complicated those simple facts of size and distance. The province must export in order to prosper, yet the relative distance to large markets added an inevitable surcharge to the cost of production. (The same geographic reality applied in reverse to the logistics of the tourism industry.) At the same time, smallness dictated that the Island could seldom compensate for high shipping costs by economies of scale. In ordinary circumstances, Island exports have had to rely on quality rather than quantity in order to compete. 'Quality' meant adding value to a staple product to bridge the gap between price and cost. Such was the economic algebra that Island producers intuitively sought to master within the new realities of post-Confederation Canada. The lesson continues.

## Notes

- 1 K. MacNeil, 'The Island,' SOCAN, 1997.
- 2 E. MacDonald, *If You're Stronghearted: Prince Edward Island in the Twentieth Century* (Charlottetown: Prince Edward Island Museum and Heritage Foundation, 2000), 345.
- 3 E.R. Forbes, *The Maritime Rights Movement, 1919-1927: A Study in Regionalism* (Montreal: McGill-Queen's University Press, 1979).
- 4 The definite article is a commonplace usage in the province. I will use the term 'Island' here as shorthand for Prince

- Edward Island, not to imply there is no other island.
- 5 K. Wells, *The Fishery of Prince Edward Island* (Charlottetown: Ragweed Press, 1986), 121–30.
  - 6 M. Moore and N.J. De Jong, *Shipbuilding in Prince Edward Island: Enterprize in a Maritime Setting* (Ottawa: Canadian Museum of Civilization, 1994); D. Sobey, *Shipbuilding and the Forests of Prince Edward Island: An Analysis of the Types and Amounts of Wood Used in Island Ships—Based on the Surveyors' Reports of the Lloyd's Register of British and Foreign Shipping* (Charlottetown: Department of Environment, Energy, and author, 2011).
  - 7 D. Weale and H. Baglole, *Confederation, the End of an Era* (Summerside: Williams and Crue, 1973).
  - 8 J.J. Rowan, *The Emigrant and Sportsman in Canada: Some Experiences of an Old Country Settler; With Sketches of Canadian Life, Sporting Adventures, and Observations on the Forests and Fauna* (London: E. Stanford, 1876); F.W.P. Bolger, *Prince Edward Island Confederation* (Charlottetown: St Dunstan's University Press, 1964).
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  - 10 F. Driscoll, 'Prince Edward and the Dominion,' in *Canada's Smallest Province: A History of P.E.I.*, ed. F.W.P. Bolger (Charlottetown: Prince Edward Island 1973 Centennial Commission, 1973).
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