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UNDERDEVELOPING PRINCE EDWARD ISLAND

Notes on the P.E.I. "Development Plan"

by David Cayley

NOTE

Information for this article was compiled during a visit to Prince Edward Island in the summer of 1973. Much of it came from the newspaper *The Broad Axe*, and from interviews with Island residents like Reg Phelan of Morel, Rev. Don MacLennan of Mount Stewart, and Gary Webster of Charlottetown.

A good analysis of the tourist industry in P.E.I. is contained in the first issue of "Round One", a new publication. Copies of this article, "The Place to be in '73'", can be obtained for 25¢, and a comprehensive bibliography on the subject of tourism and P.E.I. for another 25¢. Write to the D.E.C. in Toronto, or to:

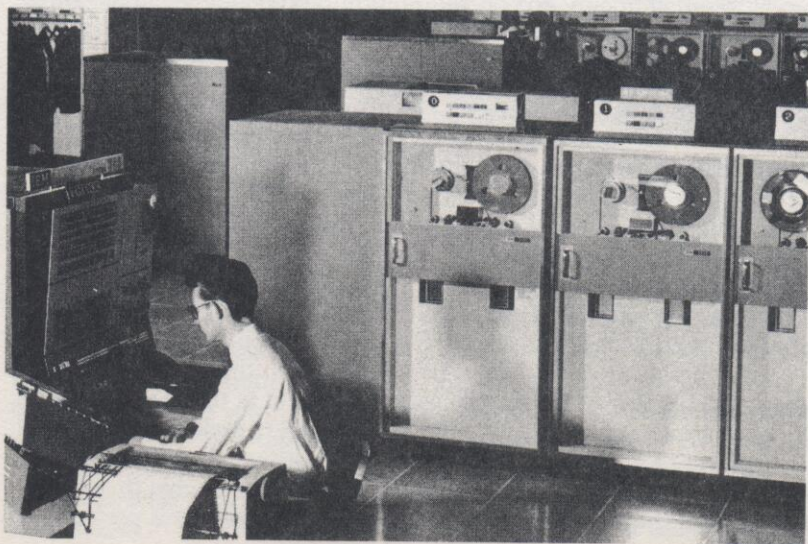
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UNDERDEVELOPING PRINCE EDWARD ISLAND: The "P.E.I. Development Plan"

I – A Plan to Modernize Poverty

In living standards, Prince Edward Island compares unfavourably to the rest of Canada. Unemployment stands 3-7% above the national average, with seasonal unemployment going as high as 15-20% in February and March. The cost of living is the second highest in Canada; the per capita income is the second lowest. There is virtually no primary industry – industrial development is limited mainly to processing – and hence there is little chance of employment for those forced out of farming and fishing. As a result, many young people must leave the Island to seek work in industrial centres like Toronto. The Island operates as a satellite of central Canada – absorbing tourists and exporting workers, a form of exchange which consistently reduces the chances for independent and self-sustaining growth.

The dependence of P.E.I. is being consolidated by provincial government policy, outlined in the much-publicized "Development Plan". The Plan includes programmes for industrial resources, land resources, "people resources" and the environment. When the glossy brochures have been analysed, it becomes clear that the Plan involves turning the Island into a giant tourist park, wiping out the family farms that now occupy most of the population, and turning a proud people into a hodge-podge of waiters, golf caddies and petty bureaucrats. The key to the Plan is the way that it deals with the agricultural land. And this question must be looked at in historical context.



In 1767, the British government divided the land of Prince Edward Island into lots of 20,000 acres, and gave the lots as political favours to absentee owners. Most of these new proprietors lived and died in Great Britain without ever seeing their land. And the lots were worked by tenant farmers, immigrants who were fleeing from the consolidation of landed property in Europe. These settlers in the "new world" could not even force their landlords to sell when they managed to accumulate the money necessary for purchase. Hence in 1833, 40% of the settlers were still tenants.

Various attempts by the Island legislature to repatriate ownership of the land, with or without compensation, failed for lack of Royal Assent to the bills. Finally in 1863, the people broke into open revolt with the formation of the Tenants Union, and in 1865 British troops had to be brought in from Halifax to restore order. It was not until after Confederation in 1875, when the Compulsory Land Purchase Act was passed, that the Land Question was finally resolved: and it was not until 1893 that the final estate of the final proprietor passed into Island hands.

By 1973 the wheel had come full circle, and the land is threatened by a new imperialism. Presently 6% of the total land mass of the Island is owned by non-residents. This total comprises 25% of the 12,000 land-holdings on the Island over 5 acres, and includes 44 miles of shoreline, exclusive of rivers and bays, which is 11% of the total. In the last 9 years PEI has lost control of more land than in its entire previous history. The present trend began in 1964, concurrently with the promotion of tourism by the provincial government, when 324 acres were sold to aliens and rose to a total of 3689 acres in 1970. Projecting the 1972 rate of sale would yield a figure of 50% non-resident ownership by the end of the century. Tentative government controls have come into effect providing for Cabinet review of all sales over 10 acres of 5 chains of shoreline, but this has resulted in only 40 rejections out of several hundred applications for transfer of land.

Land is being sold because Islanders, to put it simply, can no longer afford to own their own province. For many, farming is no longer profitable, because the costs of production have outrun the prices paid for agricultural produce to such an extent that a farmer a day goes under on the Island. In 1967 the PEI farmer's net income was at its lowest level since 1941; while, throughout the same period, his costs had been steadily rising. To give but one example of why this is so: the Barber Royal Commission on Farm Machinery indicated quite clearly that the major farm machinery suppliers, Ford, Massey-Ferguson, Deere et. al. function as a cartel to fix prices well above even the fabled 'reasonable level of profit.'

As a result there has been a steady decline in the Island's farm population. The number of farms declined by one-third in the period 1956-66. Of the remainder an additional third were forced to seek part-time work off the farm to supplement their incomes. Consistent with this trend is the fact that fewer and fewer young men are inclined or able to take up farming with the result that the average age of PEI farmers is presently 57.

The PEI economy is dominated by agriculture. More than 70% of the gross provincial product is agriculture-related, and much of the remainder is contributed by fisheries. The fishermen have undergone the same process of proletarianization as the farmers. Their once proud legal status of 'co-adventurer' has become merely an encumbrance to their attempts at protective organization, as the industrialization and monopolization of fish processing has forced them more and more into the category of low-paid labour.

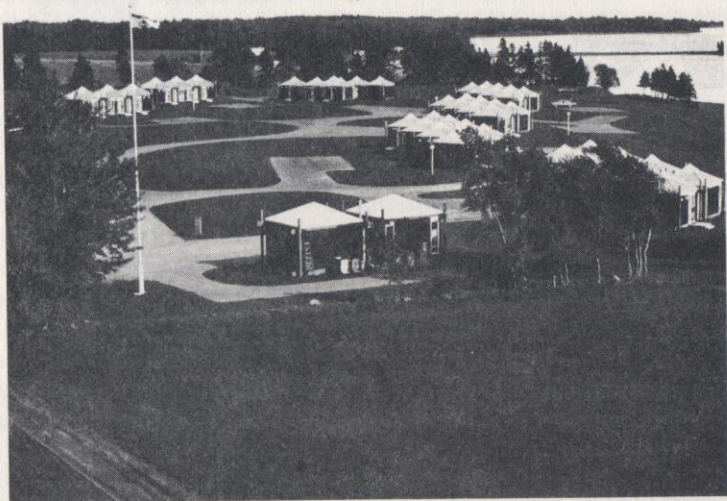
'Development' in fact may prove to be the precise form of a new imperialism. On the seventh day of March 1969 the Government of Canada and The Government of Prince Edward Island signed a federal-provincial agreement 'covering a comprehensive development plan for Prince Edward Island.' Despite the hoopla attending its birth, and the slick government brochures explaining its benefits, the Plan seems to propose only the expenditure of government funds in order to prolong the life of an intolerable contradiction. The portentous opening sentence of 'Program 1 — Resource Adjustment and Development' is perhaps typical; 'The historical pattern of land ownership in Prince Edward Island is badly adapted to the needs of modern technology for agricultural, forestry, and tourist development.' Here the historical pattern of a people's development is measured against the grotesque and mystifying abstraction 'modern technology' and found wanting. The people, therefore, must be adapted to the technology.

But even as the people are cut to the shape 'technology demands', the situation will not improve. The underdevelopment of PEI expresses the ascendancy and the concentration of industrial modes of production which cannot be 'profitably' located on the Island. The Island, therefore, will remain a hinterland of metropolitan Canada, producing primary products at prices which do not rise as fast as the price of the imported industrial goods for which the people experience an increasing need. Since industrial capital holds all the trumps, we are treated to the unsavoury spectacle of the governments of the underdeveloped provinces whoring after American capital with the whole sorry repertoire of tax write-offs, incentives, and outright grants. This insures in the end that when industry does locate in an underdeveloped region, its benefits will at best marginally offset the loss in extorted concessions.

The Development Plan does not address these problems. Indeed it probably regards them as the facts of life. It makes tidy technocratic progress through the various sectors of the provincial economy, recommending rationalization, improved efficiency, and more extensive government services wherever it goes. Agricultural production is to be improved through streamlined methods and consolidation of farms into 'viable commercial units'; in recognition of the depletion of certain species within the fishery and the generally low levels of income, fisheries are also to be consolidated and a substantial number of fishermen are to be relocated in other sectors of the economy. Marginal increases in forestry are planned. Existing industries are to be rationalized to boost output. These, along with large-scale increases in tourism, just about exhaust the economic imagination of the plan. If inefficiency and technological backwardness

were what was really wrong with the Island economy, this might constitute a solution. But they weren't and aren't, and the Campbell government is selling the Island short by ostentatiously attacking surface problems while leaving the core unexamined and untouched.

II – The Solution to Underdevelopment – Tourism



Since most of the plan depends on marginal improvements accruing from the rationalization of existing factors of production, tourism is the only significant new form of development that the Plan proposes. As such it needs careful scrutiny. Prince Edward Island is not the first underdeveloped area to depend on tourism for development – the Caribbean Islands probably provide the most relevant parallels – and it will not be the first to discover that, while tourism may provide a useful adjunct to a developed economy, it is a will-of-the-wisp as far as an underdeveloped economy is concerned. Tourism may provide income to a handful of politically influential developers on the Island, but it will not answer the people's need for integrated development.

Tourism, to begin with, is seasonal in nature. This will tend to further disorient already disoriented patterns of employment. It adds little value to the provincial economy since most of the goods required by tourists will be purchased off the Island. The employment it provides is generally menial and ill-paid. In short, tourist development remains a metropolitan enclave which generates very little benefit to the economy as a whole.

If these were the only negative effects, it might still be argued that tourism is justified by the providence of at least some income and some employment. But, where tourism is undertaken as a primary form of economic activity, it has additional cultural effects which are even more insidious. Mainly, it turns the Island into a zoo, freezes a living culture into saleable artifacts, and gives tourist needs precedence over local needs. The people, many of whom are poor and angry, are portrayed in tourist propaganda as placid, malleable figures in an idyllic landscape. It is interesting that when the National Farmers' Union's tractor demonstrations disrupted traffic on the Island in the summer of '71, the government was evidently most concerned that this eruption of the people's real needs would discourage the tourists.

The development of these attitudes was prefigured recently in an advertisement placed by the Dept. of Tourism in the *Guardian*, the Island's morning newspaper, which adjured Islanders to 'Be a Sidewalk Ambassador'. Below this caption was a point-form set of instructions on how to relate to tourists — 'our summer guests' — including the remarkable injunction to speak slowly and *without accent* when addressing helpful advice or directions to tourists.

According to the PEI Dept. of Tourism Handbook:

Prince Edward Island still maintains the charm of a century ago . . . It is a place of leisure, an area of contentment, a holiday haven. It is a small pastoral province on the seacoast of eastern Canada renowned for its excellent white beaches, its hospitable people and its quiet but modern summer resorts.

In the same vein is the Tourist and Recreation Plan for West Prince County submitted to the Dept. of Tourist Development by Project Planning Associates of Halifax and Toronto. The authors of this expensive idyll extend the Dept. of Tourism's vision and bring out its more ominous implications:

We believe that in the future the whole of Prince Edward Island will be seen more and more as a new sort of park. That the entire island will be a special North American environment where vacationers will find the quiet and serenity which the Island now provides. This is the atmosphere which cottagers seek, and because there are fewer and fewer places in North America where this quality can be found there will be increasing interest in the Island as a place to build a vacation home. Not only is the unspoiled quality of the environment an increasingly scarce commodity (sic!) but the culture and political stability of the Island make it a desirable location for investment. The Island has interesting historic locations, the people are culturally similar to the 50 million person tourist market within two hours travel time of the Island; the Island is a part of a politically and

economically stable country; *there are no race or class problems.* Partly because of these factors, substantial investments are now being made in land on the Island. This will be followed by construction of good quality seasonal homes if investors know that planning and development controls will protect their investment.

Elsewhere the authors observe:

We believe it will be increasingly useful to think of the whole of Prince Edward Island as a park. As this view becomes generally accepted, the Island will be seen in a new and important context. Every part of the Island will be appraised in terms of its international tourist and recreation potential. Every activity will be considered as a function of a living park, where a variety of socio-economic activities take place.

Project Planning Associates make a lot of money with this kind of sage advice, and their activities are not restricted to Canada. In 1967, for example, they were commissioned under a foreign aid agreement to design a city plan for Dar-Es-Salaam, the capital of Tanzania. Despite their modest recognition that, after all, Dar could not be expected to resemble a European capital, at least in the near future, they went on to design a plan based on a system of radiating expressways, which would have cost 25-30% of Tanzania's annual GNP to implement. Now they and their like have found a new cornucopia for consultants in Maritime underdevelopment. The list of planners, consultants and other high-gloss pirates getting fat off Maritime underdevelopment would fill a book, but as a further example there is Acres Research and Planning, Ltd. of 505 University Ave., Toronto. In 1965-66 this firm submitted nine major reports to the PEI government, reports so weighted with expertise that the entire set sells for \$200.

Project Planning Associates' concept of 'tourist development' seems to consist mainly in pandering to the fantasies of the harried metropolitan rich. Nowhere do they mention local needs, except in peevish asides like the following: 'The principal obstacle in the way of making these amenities available is a lack of discrimination in many local decisions.' To wit: restaurants presently cater to local rather than tourist tastes; 'interior furnishings in some recently constructed accommodation units are in poor taste; and finally 'The bold colours on park buildings and furnishings are displeasing to travellers who have come to enjoy the sea, the forest and the views.'

This point of view becomes even more explicit in the following passage:

As he travels the visitor should experience a variety of picturesque and interesting views and he should capture a sequence of unforgettable memories of Prince Edward Island. All that falls within his view is part of the traveller's experience and local authorities must continuously scrutinize the view from the road to insure that the best possible messages are being communicated.

The people of course need to be carefully schooled to avoid false notes; 'Children should learn from an early age what tourism means to the economy and what needs to be done to gain the greatest long run advan-

tages from this important sector of the economy.' 'Farm hosts require instruction in advertising, marketing, purchasing, costing, accounting, insurance, menu preparation, hosting techniques, building improvements, design and decoration, heating and programming.' 'All festivals, fairs and community events should be coordinated by an Area Tourist Information Officer so that optimum visitor interest can be achieved.' And on it goes.

If the recommendations of this report were followed, the result would not be development — it would be deepening dependence, inferiority and economic disorientation. To welcome a traveller is one thing; to falsify your reality and portray yourself as passive and compliant in order to win the favours of those whose wealth ultimately consists in your poverty is quite another. It is a question of priorities. Despite widespread poverty, PEI presently has less low-cost public housing than the Northwest Territories. The 30 new units built in 1972 brought the grand total to 74 units. In the same year 186 new motel units were constructed in Charlottetown bringing the city's total to 601. Many of these establishments have a standing rule against local guests.

To become a tourist area is the essence of underdevelopment. As wealth concentrates in metropolitan industrial centres, along with pollution, the underdeveloping hinterlands become tourist preserves. What the people experience as economic stagnation and pervasive lack of opportunity makes the tourist posters as institutionalized 'quaintness' 'the charm of a century ago.' The government, in order to protect the tourist revenues of its wealthy supporters becomes more interested in veiling social conditions than improving them, and the people are hyped into believing that tourism is an economic windfall, when in reality it is nothing of the kind.



III — Training the Poor: "Social Development" in the Plan

This kind of mystification extends into the second section of the Development Plan, which covers "social development". The policies recommended are centred mainly on education and training, and are concomitant with the economic recommendations. A modernized economy will require modernized attitudes, and so the education system must undergo a parallel streamlining. The object is to inculcate the attitudes and practices which will be compatible with a more developed economy.

The culture of the Island people is rooted in their traditional forms of production.

Since I'm Island-born home's as precise
as if a mumbly old carpenter,
shoulder-straps crossed wrong,
laid it out,
refigured to the last three-eighths of shingle.

Nowhere that plow-cut worms
heal themselves in red loam;
spruces squat, skirts in sand;
or the stones of a river rattle its dark
tunnel under the elms,
is there a spot not measured by hands;
no direction I couldn't walk
to the wave-lined edge of home.

In the fanged jaws of the Gulf,
a red tongue.
Indians say a musical God
took up his brush and painted it;
named it, in His own language,
"The Island."

[Milton Acorn]

So small an island is deeply and hospitably imbued with its people's achievements, criss-crossed by intricate patterns of commerce and conversation. The culture is rural and communal, to an extent already remarkable in much of the rest of Canada. This culture is jeopardized by economic conditions, and the demands for development they generate.

There are two basic fallacies in these proposals. The first is the assumption that the problem of underdevelopment lies in the attitude of the people rather than in the nature of the modern capitalist economy. In fact, underdevelopment of primary-producing hinterlands is an in-built structural feature of the economy. It is not rectified by chopping and channelling the attitudes of the people. The second fallacy is in the bland assumption that modernization is an ideologically-neutral concept. Thus the plan represents itself as an inevitable accommodation to prevailing economic conditions. It does not ask who determines these conditions, or whose interests they serve.

In PEI, government already has enormous power through patronage. Jobs are scarce, and the government is a major employer. In proportion as the economy is underdeveloped, this power increases. But it increases only vis-a-vis the people. In relation to foreign and metropolitan capital the government remains powerless, hamstrung by its real dependence and its imagined inferiority. Dependence and inferiority are therefore institutionalized in the form of a Development Plan, and communicated downward to the people as a set of prescriptions for progress.

The new expert, with his technocratic cult of 'development', is superimposed on the old politician/bureaucrat with patronage to dis-pense. The Development Plan is merely a new wrinkle of the bureaucratization of political power against the interests of the people. As such it provides for the centralization of systems of social control like education. This occurs under the guise of modernization: 'Full administrative integration of the system as a whole' . . . will permit more continuous and flexible planning and more effective guidance of educational staff throughout the province.'

Once upon a time Prince Edward Island was composed of more than 350 school districts. There were 11 rural regional high schools, 25 elementary consolidated schools, and the rest were one-room schools administered by 3 man boards. In 1966, as the expression of a popular desire to improve the quality of education, the PEI School Trustees Association was formed. They worked closely with the Teachers Federation and the various Home and School Associations, and in 1968 they requested that each regional high school be given its own board in order to facilitate local control. By that time the Development Plan was already in the wind, and the government had brought in a group of experts under the Economic Improvement Corporation to plan changes in the educational system. In the spring of '69 the Trustees, the Home and School Association, and the Teachers Federation asked to be incorporated along with the planners into an educational planning unit. This was done but to no avail. The experts had already come up with a plan for four consolidated school districts — one of them to be the smaller French-speaking district of Evangeline. The plan was to be quite closely modelled on Ontario's school consolidation programme, with the exception that what Ontario accomplished for \$1,000-1,200 per pupil PEI would contrive to do for \$500-600. A high-cost administration was to be imposed on each district. In order to attend consolidated district high schools students would have to be bussed distances of up to 50 miles.

The bill introducing the proposed changes was given first reading shortly after the Development Plan went into effect, and the Premier, the Minister of Education, and the Provincial Treasurer stumped the province in support of it. They got nothing but flak. Still the plan went ahead — such is the relentless logic of development — and was passed into law. Once again administrative convenience and mindless dependence on metropolitan models had triumphed over people's needs.

The modernized system soon revealed its flaws. The new system sharply increased the cost of administration with the result that the number of teachers had to be cut. PEI, it turned out, had a very low teacher-pupil ratio, and this was a luxury the province could no longer afford. Programmes were cut back in many local schools. In Mt. Stewart for example, this improvement in the quality of education led immediately to a cutback of 60% in remedial reading programmes and the elimination altogether of music and physical education programmes.

However the larger issue is not whether the new system works from an administrative or planning point of view, but whether it serves the peoples' needs, as they themselves define them. In this case district schools, which were at least somewhat integrated into their communities and administered by local people, have been replaced by consolidated schools, which are just so many trojan horses for the government's top-down version of development.

One more example of the subversion of popular forms of organization in favour of the bureaucratic conception of development should suffice to make this clear. In 1965 the Rural Life Committee of the United Church met with Father Allen MacDonald, Director of Extension at St. Dunstan's University – now amalgamated into UPEI – and inaugurated the Rural Development Council. They formed the new organization in recognition of the crisis of rural life on the Island brought on by declining farm prices and increasing corporate penetration of agriculture. These factors, taken together with the declining prosperity of the fisheries, were resulting in a rural depopulation which was undermining the integrity of the rural community.

The founding members of the RDC recognized that the people of PEI had traditionally been divided by politics and religion, and they also knew that these divisions were not accidental but arose from a conscious strategy of domination by local and metropolitan elites. 'On Prince Edward Island,' says Don MacLennan, a United Church minister in Mt. Stewart, 'the politician is god.' Their method was simple: involve the people directly in discussion of their needs and concerns. There were to be no paid workers and no formal structures beyond the occasions which generated a need for them. Gradually what came to be called Community Schools were begun in which groups of farmers, fishermen, Women's Institute members and other working people would gather to discuss their problems and eventually draw out lines of action. Leadership Institutes were created to attempt to motivate social change by creating attitudes of self-confidence and self-reliance. Out of one such Community School grew the National Farmers Union organization in PEI.

The RDC was clearly serving a need. The rural population of PEI was restless, dissatisfied and confused. Through the RDC issues could be discussed and actions planned without bureaucratic interference or the cynical gimmick 'animation'. Then it became known that the Comprehensive Development Plan was in the offing. The government saw the RDC as a potential vehicle for implementing the plan. It began quietly enough with government providing funds for the council to hire a full-

time Community School organizer. Previously the Community Schools had been seeded from community to community by the need which existed for them. What the people had once done for themselves, the government would now do for them. Community Schools developed schedules and curricula, which violated the need for spontaneous discussion. Government funding jumped to \$19,000, to \$42,000 and finally to over \$300,000 by the fall of '69, after the Development Plan had been signed. All publically instituted forums of discussion ceased and the organization became bureaucratic. Most of the original members have since left.

The present set of the RDC can be pretty well deduced from the following example: In early 1970, Dr. Lorne Bonnell, then Minister of Tourism in the PEI government, announced the establishment of a federal park in the East Point area. It would, he said, encompass 6,000 acres, most of which were not presently in use for farming. Where farmland fell within the park, farmers could continue farming it. This was a lie since the agreement between the two governments read '... Prince Edward Island will deliver possession of these lands to Canada and insure that any and all interests therein of whatsoever nature and kind lying with any person or persons are terminated,' and the area involved was closer to 12,000 acres. Dr. Bonnell was obviously a little nervous about the plan, since it was so obviously a tourist promotion scheme detrimental to the interests of farmers and other local residents. On April 10, 1970 a memorandum was circulated by R.V. Blakely of the Dept. of Development to members of his staff on the subject of "social motivations in the East Point Relocation Area." Therein he suggested that the RDC could be used to convince the people they wanted the park they didn't want. The memorandum contained quite explicit instructions. Open meetings were to be avoided at all costs. The object was to 'persuade as many people as possible that the change is for the better, prior to the issue becoming critical.' Unfortunately for the government the proposed agreement between the two governments was pirated and distributed in the East Point Area along with a map indicating by several special shaded areas that the farms of the Minister of Agriculture and several other prominent and influential families were to be exempt. The issue became critical rather more quickly than the government had anticipated, and the plan, at least temporarily was withdrawn.

Now in this case the RDC was not in fact used, and I have been told that the organization would probably not have consented to Blakely's cynical proposal, had it come to a test. I do not mean in any case to suggest that the RDC is consciously a government dupe. The process is rather more subtle and insidious, although perhaps it comes to the same in the end.

IV Conclusion

All the instances on which we have touched, the development of tourism, the consolidation of schools and the bureaucratization of the RDC have a common feature: loss of popular control. In each case metropolitan needs can be seen to have taken precedence over local needs. The Development Plan conceals the fact by treating conditional terms like "modernization" or "the needs of modern technology" as unconditional absolutes. It can thereby avoid the need to ask difficult questions about the control and ultimate direction of the development process.

"Development" as proposed in the plan can be tentatively defined as an accommodation to the modern economy, within which, it is implicitly recognized, PEI will continue to enjoy a structurally-conditioned inferiority. The local elite, who are co-extensive and interchangeable with government, can escape the contradiction by making themselves the apparent locus of "development" decisions through their power to command expertise and by functioning as brokers and middlemen for the metropolitan power. The weight of the contradiction therefore falls fully on the backs of the people.

What the Plan calls development is in fact underdevelopment — the alienation of the environment through tourism, the alienation of human resources through education and training, and the alienation of control over decisions through the cult of expertise and the resulting bureaucratization of power. These are the human costs of underdevelopment — a loss of self-respect and a declining capacity to deal with problems. The Development Plan gives the process a tremendous boost by trying to change people rather than the conditions that created them as they are.

Once this idea has been implanted, people begin to rationalize their poverty, failure and sense of incompleteness, pointing to the lack of certain attitudes or skills which would have made them successful. The result, if the people can be gulled into accepting this rationale, will not be development but modernized poverty.

True development can only be the action of all the people. Should it occur, it would represent a profound and revolutionary reversal of the priorities of the PEI Development Plan.



This pamphlet was prepared as part of a compilation on "Underdevelopment in Canada". The complete file is available for \$3.50. Further copies of this single pamphlet cost 35¢, with bulk orders over 25 copies at 25¢. Both the file and this pamphlet can be ordered from:

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