

Loyalists were much more in the shaping centre of Canadian political society than historians used to think.

Not much is known even now about the Loyalists who returned to the States, and more important, not much is known about the influence in American society of the 90 per cent or so of Loyalists who never left the United States. Did this fifth of American society simply disappear quietly into the melting pot? One gets occasional tantalizing glimpses of these later Loyalists: Harold Hancock describes some in southern Delaware in an election of 1787 when they drilled under arms in the fields, marched in military formation to the polling place, supplied the men chosen by the sheriff to protect the polling place, cursed and assaulted their old Revolutionary enemies, and "huzzaed for the King".<sup>5</sup> Moreover, under the new federal Constitution these old Loyalists carried on their old politics and old enmities at least into the 1790s. If the Loyalist influence in Canadian society is broader and deeper than it used to seem to be, perhaps the same is true in American society: Could the Loyalists who never left have carried on, some of them, as dissenters from American ideology and contributed to the glimmers of self-doubt seen in later times in the United States?

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5 Harold B. Hancock, *The Loyalists of Revolutionary Delaware* (London, 1977), pp. 99-103.

### Situating A Classic: Saunders Revisited

THE NEW EDITION OF S.A. SAUNDERS' *The Economic History of the Maritime Provinces* (Fredericton, Acadiensis Press, 1984) is more than simply the reissuing of a 1939 contribution to the debate over Maritime underdevelopment. This early and much criticized version of our political economy from the 1850s to the 1930s is the foundation of the whole orthodox stream of thought about "what happened to the Maritimes". It has a landmark status and general unavailability that makes this a worthy choice for reprinting. Fortunately, this edition is more than a simple reprinting, thanks to T.W. Acheson's introductory essay. This edition of Saunders' *Economic History* is one of those reprints where the essay introducing the classic is at least as interesting and valuable as the original work itself. It is fitting that Acheson, as the author who did more than anyone else to upset the "fact-situation" Saunders painted, was chosen to write the introduction.<sup>1</sup> Rather than the usual "hymn of praise" introducing a Great Work, we are presented with a worthwhile essay which, while giving respectful credit to Saunders, fits him and *The Economic History* into a critical framework that

1 See T.W. Acheson, "The Social Origins of Canadian Industrialism: A Study in the Structure of Entrepreneurship", Ph.D. thesis, University of Toronto, 1971, and "The National Policy and the Industrialization of the Maritimes, 1880-1910", *Acadiensis*, 1, 2 (Spring 1972), pp. 3-28.

allows us to situate the author and the study in the context of their own time.

The strengths of the essay are many. Acheson locates *The Economic History* as the first major study of the region's economic history, as the result of a whole career path, and as a work that established the agenda and accepted "fact-situation" for a generation. An image of Saunders the person, of both his political and intellectual commitments and his ability to overcome blindness to become an accomplished scholar, emerges from Acheson's essay. The filling-in of this part of the story behind *The Economic History* is long overdue, and reveals Saunders' personal strengths as well as the social and financial barriers he overcame to become a central figure in the debate over Maritime political economy. More than that, he identifies Saunders' personal, ideological and theoretical background, and their importance to the work: "Saunders was an economic theorist by training, a disciple of Harold Innis by conviction and a Canadian patriot by sentiment. All three influences are evident in the assumptions which inform his work" (p. 9).

Acheson not only identifies Saunders as a centralist pan-Canadian nationalist, regardless of his origins in the Maritimes, but also links him with the task of his mentor, Innis, in seeking to construct "an economic justification for a Canadian state" against all comers. For Saunders, as Acheson points out, these were the Maritime "regionalists" who protested the results of capital concentration and de-industrialization, and called Confederation into question. The ideological and political purpose of Saunders in his *Economic History* is all too infrequently raised, as if purpose and political intent were unrelated to scholarly focus and interpretation. Placing Saunders in the political context of his support of the status quo against Maritime anti-Confederation protests, and identifying him as a scholar most of whose work was done for the state and its agencies, is every bit as important as situating him within the theoretical model of staples theory and liberal political economy.

The political agenda of this classic statement of the Laurentian interpretation of Maritime economic development is made clear in Acheson's summary:

The boldness of Saunders' thesis is reflected in the general statements around which he organized his work. The Reciprocity Treaty with the United States, he argued, had a much greater impact on Canadian trading patterns than on those of the Maritimes — there is no conclusive evidence of a "natural" commercial region embracing the Maritimes and the American East Coast. Neither Confederation nor the National Policy adversely affected Maritime economic development, he declared; world economic forces turned against the region after 1875 creating the need to shift from an ocean to an inland market. The decline in industrial employment after 1890 reflected the passing of the village artisan. The replacement of Maritime industry by Central Canadian provides strong evidence that the latter were producing better or cheaper goods. The consolidation

of industry in Central Canada reflected both the natural evolution of industry and the market and transportation advantages possessed by the Laurentian heartland. The Maritimes suffered less from the Great Depression than did other parts of Canada (p. 9).

How well this political purpose of *The Economic History* fitted in with the determinism of staples theory as a whole is made clear by Acheson's lucid account of its basic principles:

All development was ultimately predicated on external markets and, to a greater or lesser extent, on the use of external capital to exploit the natural resources of the region. Through the use of tariffs, rebates, bounties, land grants, and other grants-in-aid, the federal government promoted certain kinds of development which strengthened the natural east-west commercial system around which Canada was built. The effect of these incentives was the creation of a free-trade area in the northern half of North America which then developed according to natural law.

Natural law, expressed in a rigorous and uncompromising determinism, became for Saunders the explanation for most economic change which occurred in the Maritimes in the sixty years following Confederation. The fate of the region in Canada had been predetermined by nature and geography. The decline of shipbuilding, the destruction of Maritime industry, the consolidation movement, the concentration of industry in the Laurentian lowlands, and the necessity for the region to fulfill its destiny as an exporter of two or three staples were all inevitable. These inevitabilities produced the growing backwardness of the regional economy relative to the rest of Canada and the consequent decline of regional living standards (p. 10).

There are, however, a number of weaknesses in Acheson's introduction. Even within the terms of liberal economic history, Saunders' work does not deserve accolades to its "methodological rigour, systematic analysis and effective use of quantitative data". *The Economic History* was, in fact, a rather narrow and flawed study, with a focus on the resource industries that followed from the tenets of staple theory. As a result, the explanatory factors of regional economic history were necessarily limited to questions of resource endowments and the market orientations of the primary sector. Manufacturing was discounted as an important part of the economy of the region by assumptions rooted in this theoretical toolbox, and with it the social organization of the economy, the role of the state and Canadian financial institutions, and the whole shift from merchant to monopoly capitalism in Canada. The theme that the Maritimes was a marginal region doomed by remoteness (from Montreal and Toronto), backwardness and resource exhaustion — which Saunders sealed into conventional

wisdom — was implicit in the theoretical rigor mortis of staple theory's approach to the region's economic history.<sup>2</sup> Furthermore, Acheson does not fully explain the challenges which have been made to Saunders' historical survey and interpretive scheme. This means that his place within the debate over Maritime underdevelopment is less clear than it might be. Whether this omission of the overall picture of the debate was due to modesty, lack of space, or editorial decision, it is a regrettable loss.

Thirdly, Acheson's essay does not take up an important issue regarding Saunders and his contemporary champions: the mainstream economists and historians whose work echoes his themes and conceptions. Saunders' real importance in 1985, after all, comes from his direct and indirect influence on several generations of Canadian economists and historians, for whom his tale of a doomed and played-out Maritimes is accepted "fact". That important issue is the close relationship both of Saunders and many of his intellectual descendants to the Canadian state, not only in their outlook, but in the commissioning and billing of their work.

*The Economic History* is more than an early scholarly contribution to the debate about Maritime political economy, more even than a product of much labour and of personal handicaps overcome. Following in the footsteps of Innis and Fay's earlier work, Saunders wrote the script for the explanations that dominate state policy, professional economics, and pre-1971 regional historiography. Conventional thinking is still based on the viewpoint on Confederation, the causes of Maritime decline, and the possibilities of Maritime development which Saunders articulated in 1939. Publication of the new edition of Saunders' work provides an excellent opportunity to review his place in the on-going debate.

The conventional wisdom which Saunders was instrumental in establishing is that the Maritimes should be seen as left behind by progress after the mid-1800s, that the decline of the Maritimes is a case of retarded or arrested development which left the region a kind of exhausted living fossil of the mid-19th century. The traditional liberal orthodoxy is that the Maritime economy was doomed to stagnation and decline quite apart from Confederation, and that the geographically "remote" (from Montreal and Toronto) and socially "backward" Maritimes slipped from an anomalous "Golden Age" into a stable and chronic state of stagnation, depopulation and lethargy that, unfortunately, corresponded to its natural potential in the 20th century. The prosperity of the pre-Confederation period is attributed to the transitory conditions of "the old world of wind-borne commerce, low tariffs, foreign trade, and local freedoms"<sup>3</sup> that was fated to collapse before the forces of modernization in the form of the iron horse and

2 Hugh Mellon, "A Review of S.A. Saunders, *The Economic History of the Maritime Provinces*", an unpublished paper for Atlantic Canada Studies 640, The Political Economy of Atlantic Canada, Saint Mary's University, January 1985.

3 Donald Creighton, *Dominion of the North* (Toronto, 1972 [1944]), p. 301.

iron ship. According to this story, the failure of Maritime shipbuilders and owners to adopt iron and steam marine technology was, given Maritime conservatism, inevitable, and, combined with the decline in the value of the staples trades in fish and timber, accounts for the region's slide into perpetual depression. The assumption is, then, that a decline of Maritime staples and "wood, wind and water" left an economic vacuum which, given the natural uncompetitiveness of Maritime manufacturing (dictated by geography, the lack of large metropolitan centres to foster an internal market, and insufficient capital) could not and cannot now be filled.

The orthodox perspective follows Saunders in placing the decline of the Maritimes in a context that celebrates Confederation and the centralized vision of "national" development, and that is overtly scornful of "regionalism" and "sectionalism". Its basic message is that the decline of the Maritimes was inevitable under any circumstances, a sad event produced by internal flaws and marginality which casts no unfavourable light on Canadian economic development. Similarly, the present plight of the region is regrettable, but basically determined by natural geographic remoteness, small scattered populations and resources, and social backwardness — an unfortunate situation but one that cannot be allowed to place undue burdens on national development.

The central figure in breaking with the orthodox position that Maritime decline was a result of staple-industry failure and the failure to industrialize was Acheson. His account of Maritime industrialization and de-industrialization between 1880 and 1910 established a new central question for Maritime political economy: the need to explain the process of consolidation and centralization of productive industry in Canada which destroyed Maritime manufacturing. The result has been the contention of three "stories" about Maritime underdevelopment.

The orthodox "story" that the region was the unfortunate victim of its remoteness, conservatism and other internal weaknesses and simply failed to compete in the changing world has persisted.<sup>4</sup> So too has the argument that the region's development was short-circuited primarily by national policies and Central Canadian interests.<sup>5</sup> "Maritime Marxists" have argued that the region was doomed by the *process of capitalist development itself* to be marginalized

- 4 For mainstream economics the debate over Maritime political economy we have seen since 1971 does not seem to have existed at all. Of all the "social science" disciplines, economics is the most homogeneous, the most well connected with corporate and state institutions, and bolstered by its dubious claims to scientific status. It appears that, with its ahistorical and mechanical models of "the economy", mainstream Economics and its offshoots can almost indefinitely avoid addressing the challenge to the "agenda of ideas" originally formulated by the staples school.
- 5 See for example, T.W. Acheson, "The Maritimes and Empire Canada", and E.R. Forbes, "Misguided Symmetry: The Destruction of Regional Transportation Policy for the Maritimes", in David Bercuson, ed. *Canada and the Burden of Unity* (Toronto, 1977); and E.R. Forbes, *The Maritime Rights Movement, 1919-1927: A Study in Canadian Regionalism* (Montreal, 1979).

and stuck in the rut of underdevelopment within Canada.<sup>6</sup> The populist-regionalist position fails to penetrate the dynamics of capitalist development, while both orthodoxy and “it was just capitalist development” write off the region too easily. A fourth “story” is needed, one that tries to put together how a region that had the ability to undergo capitalist development found its development truncated.<sup>7</sup> This approach would develop along the following lines: The region’s annexation by the Canadas blocked the paths of economic development that were otherwise open to it, and fundamentally subordinated its evolution to the imperatives of Central Canadian capital. Aided by some of the leading capitalists of the region, who showed “admirable” entrepreneurship in selling out and participating in the consolidation of the region’s mass consumer industry,<sup>8</sup> Canadian capital and the Canadian state arranged that Maritime firms would be the ones to pay the price that the emergence of monopoly capital imposed on competitive capitalism. Once de-industrialized, the region assumed the role of “labour reserve”<sup>9</sup> and producer of cheap raw materials which it now holds, and there is no particular intention of promoting it out of that position in the Canadian economy. Such a change would require fundamental alterations in the operation of Canadian capitalism not in the interests of either Canadian and American capital, or organized labour in the centre and the West.

At the moment, the state of the debate is different from 1970, when theory and research were both deficient — and from 1973 when “new facts” had outrun theory. Today we have reached a situation where theoretical speculation has outrun substantive research. Of course research follows lines set out by theory, but in looking on the work of the past decade and a half the balance has clearly swung away from the proper mix of theory and research. As in the pre-*Economic History* period, the need is for more digging, and especially for more comparative research, both with respect to central Canadian development, and cases of regionally uneven capitalist development elsewhere.

The republication of Saunders’ *Economic History* should also remind us of the importance of the triangle of theory, ideology and research. The initial

- 6 For example, see the Robert Brym and R. James Sacouman collection, *Underdevelopment and Social Movements in Atlantic Canada*, (Toronto, 1979). In somewhat different ways, the same argument is supported by James Bickerton, “Underdevelopment and Social Movements: A Critique”, *Studies in Political Economy*, 9 (Fall 1982), pp. 191-202.
- 7 See Michael Clow, “Politics and Uneven Capitalist Development: The Maritime Challenge to the Study of Canadian Political Economy”, *Studies in Political Economy*, 14 (Summer 1984), pp. 117-40 and “The Struggle with Orthodoxy: Maritime Political Economy in the 1970s and 1980s”, presented at the Atlantic Association of Sociologists and Anthropologists Annual Meeting, University of New Brunswick, March 1984.
- 8 See D.M. Anthony, “The Contributions of Nova Scotia Capital to Regional Underdevelopment, 1890-1915”, B.A. Honours thesis, Department of Sociology, Acadia University, 1979, and James D. Frost, “The ‘Nationalization’ of the Bank of Nova Scotia, 1880-1910”, *Acadiensis*, XII, 1 (Autumn 1982), pp. 3-38.
- 9 See Henry Veltmeyer, “The Capitalist Underdevelopment of Atlantic Canada” in Brym and Sacouman, *Underdevelopment and Social Movements*.

assault on the orthodoxy Saunders helped build was theoretical and ideological: Bruce Archibald's "The Development of Underdevelopment in the Atlantic Provinces".<sup>10</sup> It failed to generate a new "historical record" other than that put forward by Saunders but only reinterpreted it in the light of André Gunder Frank. By contrast Acheson's initial work departed from Saunders not on ideological grounds but on the historical record to be explained. While theoretical differences and opposing streams of thought separate the revisionists amongst themselves, they continue a dialogue. The real gap of communication and purpose exists between those who challenge orthodoxy, and those who have sought to neutralize the assault upon the centralist verities of the Saunders legacy.

"Academics Create the Myths Others Live By": This rather unflattering view of the social function of our labours contains too much truth to simply turn our eyes away from it. Someone must generate, must be the intellectual author of, the "appropriate" views that can be publicized and distributed as authoritative "expert" opinion, and Saunders and his legacy would make an interesting case study. In arguing this I am not arguing for simple instrumentalism, that academics willingly tell their "masters" what they want to hear. Undoubtedly Saunders was a man of high integrity and honesty. Yet Saunders was, as Acheson points out, "an established scholar and recognized expert" by the time he was commissioned to produce his work on Maritime political economy for the Rowell-Sirois Commission. Acheson is quite frank about Saunders' pan-Canadian nationalism and his vision of "a single common Canadianism untrammelled by region, race, or class". As to his previous work, Acheson argued that "Saunders' whole professional career had been a preparation for the [Rowell-Sirois] study". When the Commission hired Saunders they were hiring a known author whose study could be expected to reflect the general economic justification for Canadian development and recommendations for future policy which they sought. In the end, it is not surprising that government sponsorship produced a rather self-absolving view of Maritime development within Confederation.<sup>11</sup>

Acadiensis Press should be congratulated for including Saunders' old classic in its series of book-length publications, and in particular for packaging it with a good introduction. While Acheson's essay misses a crucial part of the story of Saunders and his legacy, and should have gone on to place that legacy within the

10 Bruce Archibald, "The Development of Underdevelopment in the Atlantic Provinces", M.A. thesis, Dalhousie University, 1971. Also see his "Atlantic Regional Underdevelopment and Socialism" in Laurier LaPierre et al., eds., *Essays on the Left* (Toronto, 1971), pp. 103-20.

11 And not for the last time. See George Rawlyk, ed. *The Atlantic Provinces and the Problems of Confederation* (Portugal Cove, Nfld., 1979). Like Saunders before him, Rawlyk has had the blessings and financial assistance of a major federal study into federal-provincial relations. This book was prepared as a background report for the Pepin-Robarts Commission on Canadian Unity, an inquiry as concerned to "set the record straight" on any Maritime claims of having been "short-changed" in the uneven capitalist development of Canada as the Rowell-Sirois report of 40 years before.

contemporary debate over Maritime political economy, it is of at least equal value to the edition as the Saunders study itself. By way of conclusion, there is a need for more reprints and inexpensive monograph-length studies on all areas of Maritime and Atlantic Canada studies. Given the shortage of teaching materials and the expansion of graduate and undergraduate courses in all areas of the study of the region, publishers should be encouraged to put a priority on making such materials available.

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### The Religious History of Atlantic Canada: The State of the Art

THE EARLY 1970s MARKED A TURNING-POINT in the historiography of religion in the Atlantic Provinces. In a space of less than two years, three books appeared which seemed to herald a new and more critical approach to the study of the region's religious traditions. These books were J.M. Bumsted, *Henry Alline* (1971), Judith Fingard, *The Anglican Design in Loyalist Nova Scotia* (1972), and Gordon Stewart and George Rawlyk, *A People Highly Favoured of God: the Nova Scotia Yankees and the American Revolution*,<sup>1</sup> (1972). Until then, it had been necessary for students of the religious experience in the region to rely mainly on denominational histories, books which contained valuable information but were written from a confessional point of view and made limited or selective use of primary sources.<sup>2</sup> The standard scholarly works on Atlantic regional history concentrated on political, military and economic developments, and religion was mentioned incidentally, if at all. Virtually the only academic studies of religious history were Maurice Armstrong, *The Great Awakening in Nova Scotia, 1776-1809*, and S.D. Clark, *Church and Sect in Canada*, both of which had appeared in 1948. These works were characterized by thorough research, by critical rather than sectarian methods, and by attempts to relate religious developments to the general history of the region. Yet several years passed before anyone ventured to carry on where Armstrong and Clark left off. In 1962 Goldwin French published *Parsons and Politics*, a comparative study of

1 For a review of these three works, see Goldwin French, "Religion and Society in Late Eighteenth Century Nova Scotia", *Acadiensis*, IV, 2 (Spring 1975), pp. 102-10. For other surveys of more recent work in the field see Barry Moody, "Religious History: The State of the Craft in the Maritime Provinces", *Journal of the Canadian Church Historical Society*, XXV, 2 (October 1983), pp. 93-5, and Fernand Arsenault, "L'Eglise Catholique en Acadie: Etat de la recherche", *Revue de l'Université de Moncton*, XV, 2 (janvier-mars 1982), pp. 105-17.

2 For example, E.M. Saunders, *History of the Baptists of the Maritime Provinces* (Halifax, 1902), George E. Levy, *The Baptists of the Maritime Provinces: 1753-1946* (Saint John, 1946), William Gregg, *History of the Presbyterian Church in the Dominion of Canada*, (Toronto, 1885), William Gregg, *Short History of the Presbyterian Church in the Dominion of Canada* (Toronto, 1892), T.W. Smith, *Methodism in Eastern British America* (Halifax, 1877).