

## FEATURE

# Poverty, Politics, and Profit in Smallwood's Squid Jiggin Ground

by paul macrae, CUP

ST. JOHN'S, Nfld. (CUP) — Newfoundland presents an almost classic case of how not to develop an underdeveloped region, only more so. The more so is Premier Joseph Smallwood.

It's been twenty years since Newfoundland staggered into Confederation. That it did so at all is a tribute to Smallwood's ability and hard work.

Now, the province has an unemployment rate of 10 per cent and the lowest per capita income and the highest per capita debt in the country. A report prepared for the Smallwood government (and subsequently ignored) indicated that the situation will get worse.

St. John's reportedly has more millionaires per capita than any other city in Canada. And Newfoundland's potential wealth in fish, minerals, and timber is enormous.

What's wrong? the student's council at Memorial University, the province's only university, called a rally to coincide with the Liberal party's first-ever leadership and policy convention. The rally discussed what's wrong, and where Newfoundland is going.

The student's immediate reaction is to blame Joey, and they are not alone. The leadership battle resolved almost

entirely around Joey's personality and the issues were buried in a landslide of mud. The convention was a leadership convention in name only, and Smallwood must have known that when he started his minor Cultural Revolution.

Looking at the record, it's easy to blame Joey. The record, as told to me anyway, indicated he has sold the province down the river for a mess of promises. In the process the province has spent millions in outright grants, and millions more in tax and other subsidies to incoming industries. The return in jobs and personal income has remained meagre. Some examples:

The Electric Reduction Company phosphorus plant on Placentia Bay was Joey's baby. And ERCO was happy to come. The company's pollution record and standards have made it an undesirable tenant in other provinces.

ERCO, if you recall, was in the thick of a fluoride poison uproar at Dunnville, Ontario, two years ago, a controversy which has yet to die. Keenly felt here is another ERCO pollution triumph — the virtual destruction of Placentia Bay as a source of fish through the dumping of phosphorous waste.

Although ERCO denies it, a pollution expert who spoke to the student rally estimat-

ed it would take 15 years for the bay to become fishable again. And meanwhile, as one of the Liberal leadership candidates remarked bitterly, Newfoundland fish must be marked as not from Placentia Bay to be acceptable as exports.

ERCO was supposed to bring a measure of prosperity to the region, providing jobs and income. In fact, the company probably costs the government more each year than it brings in.

I was told that 12 or 15 companies own most of the province's mineral-producing areas. A few mines are still operating, but in most cases the land lies untouched until it is profitable for exploitation. The mines now worked are worth hundreds of millions of dollars, of which Joey's government gets about \$2,000,000 a year.

The Liberal government offered an attractive deal to one pulp and paper firm. The province put up about 30 million again \$5,000,00 by the company to set up a plant. No losses guaranteed, largely publically financed, and entirely privately-owned.

These are Joey's deals, and all are regarded with some anger by the Newfoundlanders I talked to. A student told me there are two widely-held views about Joey's efforts. The charitable view is that he doesn't know how to

manage money and has been duped.

The other view is probably libellous.

Meanwhile the Newfoundlander pays millions to bring in private industries; money which could be used to create publically-owned industry. There are two advantages in following the second course: the profits will belong to the people, and the profits will cease to flow out of the province as they do now.

There is no evidence that the three major leadership candidates are willing to tackle the problem from this angle, and no wonder. Both Crosbie and Hickman own businesses themselves, and Crosbie is one of St. John's millionaires.

Only "nuisance" candidates, like Randy Joyce, a fifth-year student at Memorial University, cut through the personality for the issues. Reading in part from a weekly column he does for the student newspaper The Muse, Joyce told the 1,700 convention delegates: "I am convinced it would be a disaster to develop Labrador as Mr. Smallwood has tried to develop Newfoundland.

"There appears to be two alternatives to this system of exploitation," Joyce continued, "One is letting pri-

vate enterprise operate on a lease basis. The lease would be long enough for the company to make a profit; on its expiry, the operations would then be run by the government and the profits could be applied to our province's urgent needs, such as education and health."

The Smallwood delegates sat stony-faced through Joyce's speech. The Crosbie and Hickman supporters applauded and cheered his attacks on Joey, but were more subdued when he came to concrete proposals.

And the Smallwood speech? Well, for a while, we wondered if he was even going to make one. Half his 30-minute speech was taken up by a demonstration of support.

The speech was pure Joey, No content, no discussion of the issues that had created the huge rift in the Liberal party, just a flamboyant call for unity. "We are one family!", he cried, "The Liberal family!"

No one was surprised when he won in the voting Saturday. Joey controls Newfoundland. Buck Joey and you may lose your liquor license. Vote Tory and the construction contracts may dry up.

But Newfoundland may be the only province in Canada where the people will make a break from the business ideology of their leaders.

## Amerika's prayer

by Ian Boyden

Gentle Jesus, bless each bomb  
We drop today on Vietnam  
And keep our helicopters safe  
From natives they fly low to strafe.

Lord of Life, increase our skill  
To build up added Overkill,  
And let no pacifist decry  
The stronium-90 in our sky.

Heavenly Father, we entreat  
Let no one sell the Cubans wheat,  
And grant us power to chastise  
All insubordinate allies.

Holy Spirit, give us grace  
To win the guided missile race,  
And help our scientists amass  
Vast arsenals of germs and gas

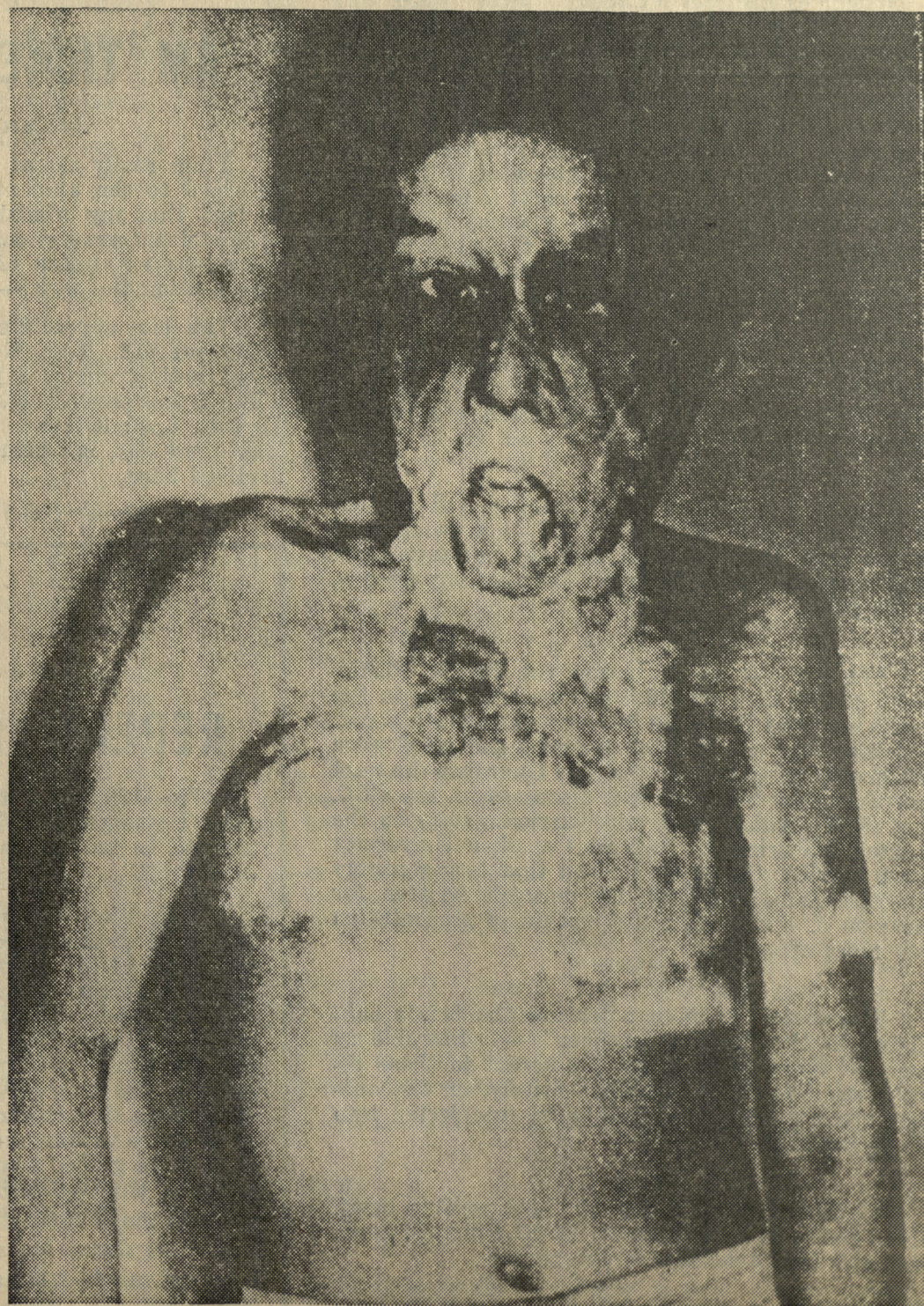
From further dwindling, Lord, preserve  
Our ever-shrinking gold reserve,  
And we beseech Thee, come what may,  
Let overseas investments pay.

The world's most upright Christian land,  
We ask these blessings at Thy hand—  
Be Thine the glory, Lord on high,  
When women weep and children die.

Amen.

reprinted from the chevron, 9 december 1966

NOTE: The CADRE is published by and for  
the University  
of Prince Edward Island Student's Union.



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