

**Any Port in a Storm:
The Development of Port Policy around the North Atlantic, 1850-1939**

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Canadians, although perhaps not Greeks, will understand, although not necessarily accept, the argument that it is foolish even to contemplate the possibility of having a national economic strategy. Notwithstanding the advocacy of this idea on the right by bodies such as the Science Council of Canada and from the left by the New Democratic Party, more centrist (and, dare I say it, more “central”) groups have consistently argued successfully against such a “heresy.”¹ Still, since other nations around the North Atlantic have toyed with the idea, trial balloons keep surfacing in Canada, if only so that some Prime Ministerial contender can demonstrate his or her credentials by demolishing them.

Since I assume that all Canadians at least understand this point, let me introduce Greeks to its maritime twin: the argument that it is a bad idea to have any kind of national ports policy. Do not get me wrong – it is not that I want to espouse this argument, but rather that neither Canada nor any other North Atlantic nation has ever had one. While both the old Canadian Maritime Commission and Transport Canada have commissioned studies on the topic, it has never successfully captured the public imagination. Perhaps this is not surprising, since an historical examination of the nations around the North Atlantic rim makes it clear that with the exception of some strange post-World War II excursions in the United Kingdom, the “Canadian heresy” in fact has obvious international parallels.²

In this paper I would like to make a few historical comments about the development of ports around the North Atlantic. While I intend to take the liberty of making some rather broad comparative arguments, I want to pay particular attention to Canada. And for a Canadian I intend to commit a special apostasy: I am going to argue that in our own bumbling way, Canadians accidentally stumbled on something that comes closer to being a reasonable national ports policy than any ever advocated by our cousins around the North Atlantic. We never would have been so bold as to actually call it a “national ports policy” – after all, we are Canadians. Most of the planks of this policy – and this truly is Canadian – were never formally adopted but instead were consigned to the dusty corners of libraries where only academics and antiquarians are likely to happen upon them. But I hope by the time I get done you will agree that about sixty-five years ago we were on to something – certainly something that was better than the alternatives

¹The classic Science Council call for a national industrial policy is *The Politics of an Industrial Policy* (Ottawa, 1979). But see also *Forging the Links: A Technology Policy for Canada* (Ottawa, 1979); and *Enabling Technologies: Springboard for a Competitive Future* (Ottawa, 1989).

²On UK “ports policy,” see Gordon Jackson, *The History and Archaeology of Ports* (Tadworth, 1983), chapter 6. British policy is put into context in Lewis R. Fischer and Helge W. Nordvik, “Subsidy and Protection in National Shipping Industries around the North Sea since World War II,” in Randi Skotheim (eds.), *Business and Finance in Maritime Industries around the North Sea* (Stavanger, 1997).

being tried elsewhere. Moreover, I will argue that we would have been better served if we had found the conviction actually to try to implement such a policy.

To prove this thesis, I need to say some things about other North Atlantic nations, at least to provide a kind of context within which to place the Canadian experience. While my present research, which involves a broad international comparison of the evolution of port policies since the mid-nineteenth century, is still in progress, I have enough work on Britain, the United States, Spain and Norway to provide a reasonable context.

The second half of the nineteenth century was really quite a remarkable era, especially in maritime terms. When it began, the economic doctrine of mercantilism was just beginning to be superseded by free trade. The former, of course, held that the best way for a nation to achieve wealth was to plant colonies. The argument came to be understood to mean that the colonies would provide raw materials and markets, while the mother country would provide manufactured goods. The magic of value-added being what it is, the relationship was in some ways rather one-sided. But in other ways it was symbiotic, a fact demonstrated, at least in part, by the existence of a prosperous country like Canada, which spent its adolescence in the protective bosom of the British Empire.³

One of the advantages of mercantilism was that it provided an impetus to maritime investment, if only because most of the more interesting — not to mention available — places to colonize were inconveniently separated from the metropolitan lands by broad stretches of ocean. Indeed, what Walt Rostow called "the take-off stage" for the Maritimes (although not in the same way for Newfoundland) makes the point explicitly. The Maritimes were fairly stagnant in both population and output until Napoleon decided to introduce his "Continental Policy," which was designed to isolate Britain by placing an embargo on its trade with Europe. Since timber for both the Royal Navy and the British merchant marine by the first decade of the nineteenth century came largely from nations located around the shores of the Baltic, this occasioned a fair amount of panic at Westminster — until it was remembered that travellers to British North America had reported the existence of large stands of suitable timber in Nova Scotia, New Brunswick and Lower Canada. Using prosaic tools like tariffs, Parliament literally called forth a timber industry from the eastern Canadian wilderness. But all this lovely timber was useless unless it could get across the Atlantic. If you are thinking "why not build ships," you would have done well as an entrepreneur in, say, Saint John, New Brunswick or Pictou, Nova Scotia, at the time, for that is precisely what the more thoughtful inhabitants concluded. The result was a world-class shipbuilding industry, and eventually a shipping industry that at its peak in the early 1870s made Atlantic Canadians the proud owners of the third largest fleet of sailing vessels in the entire world.⁴

Now, this brief tale might make it seem as though mercantilism was, in maritime terms, the greatest thing since the invention of the triple-expansion engine. But although mercantilism's emphasis on empire made nations like the Netherlands, Spain, Portugal

³The most accessible discussion of this background is A.G. Kenwood and A.L. Lougheed, *The Growth of the International Economy, 1820-1990* (3rd ed., New York, 1992).

⁴The Rostow model was first articulated in W.W. Rostow, *The Stages of Economic Growth* (Cambridge, 1960); and further elaborated in Rostow, *The World Economy: History and Prospect* (Austin, TX, 1978). The best study of Atlantic Canadian shipping is Eric W. Sager with Gerald E. Panting, *Maritime Capital: The Shipping Industry in Atlantic Canada, 1820-1914* (Montréal, 1990).

and France, along with Britain, major maritime powers, its incentives for maritime investment were really fairly small compared to what was to come after Britain led the rest of Europe into the verdant sunlight of free trade. This is because, by creating a system based upon the notion of comparative advantage, free trade led to increasing interdependency and, eventually, to the creation of what some historians like to refer to grandly as the “international economy.” Ushered in by Britain's repeal of the Navigation Acts at mid-century, the hallmark of free trade became rapidly increasing commerce, especially of the intercontinental variety. Indeed, the volume of trade between continents grew by more than fifteen-fold between 1850 and 1914. And all this inter-continental trade — and a good deal of intra-continental commerce, as well — required ships. Not surprisingly, investment in shipping increased by about eleven times over the same period. But if we measure this in terms of value, it grew even faster, which reminds us that at the same time that trade was increasing, the shipping industry underwent a breathtaking technological transformation: the transition from sail to steam.⁵

The cliché that the pace of change has become more rapid the closer we get to the present is as true for maritime industries as for any other type of human endeavour. If the six and one-half decades after 1850 witnessed the transition from sail to steam, the twenty years between the end of the Great War and the outbreak of World War II was marked by two major transitions: the introduction of the diesel-powered motorship and the widespread acceptance of the tanker. Both remade the shipping industry as surely as had the earlier technological transition.⁶

All right then: the period from 1850 to 1939 was marked by a series of technological changes in the maritime sector. But what did this have to do with ports? The answer is both obvious and perhaps slightly less apparent. The obvious answer is that as ships got bigger — and as the amount of capital invested in them grew — new demands were made on ports. The sheer size of some of these vessels often required entirely new facilities. Some older ports, like Liverpool and Antwerp in Europe, or Halifax and New York on the western side of the Atlantic, were relatively successful at adapting. But others, many of which had been vitally important during the “golden age of sail,” fell by the wayside. This included ports like Québec, Bremen and Amsterdam. And sometimes the technological revolution led to the creation of new ports. Rotterdam was only a third-rate port even within the Netherlands in 1850; by 1900, it was the most important port in the world measured by the volume of cargo handled.⁷

⁵A brief introduction to the North Atlantic maritime context in the second half of the nineteenth century is Lewis R. Fischer and Helge W. Nordvik, “Maritime Transport and the Integration of the North Atlantic Economy, 1850-1914,” in Wolfram Fischer, R. Marvin McNinn and Jürgen Schneider (eds.), *The Emergence of a World Economy, 1500-1914* (Weisbaden, 1986), 519-544.

⁶The best brief introduction to these trends is Ewan Corlett, *The Revolution in Merchant Shipping, 1950-1980* (London, 1981), which also does a reasonable job on the interwar years. For a context into which to place the technological change, see the out-dated but still useful S.G. Sturmeij, *British Shipping and World Competition* (London, 1962).

⁷On the non-Canadian ports see, for example, Robert G. Albion, *The Rise of New York Port, 1815-1860* (Cambridge, MA, 1939); Francis E. Hyde, *Liverpool and the Mersey: An Economic History of a Port, 1700-1970* (Newton Abbot, 1971); F. Suykens, et al., *Antwerp: A Port for All Seasons* (Antwerp, 1986); and L.M. Akveld and J.R. Bruijn (eds.), *Shipping Companies and Authorities in the 19th and 20th Centuries: Their Common Interest in the Development of Port Facilities* (Den Haag, 1989). The only

In short, changes in shipping and trade begat a host of challenges for ports. Perhaps predictably, ports in general were singularly unprepared to confront these new conditions. In part, this is because virtually anywhere one looked around the Atlantic rim, ports were treated by key decision-makers almost as afterthoughts. Perhaps nowhere was there such a bewildering variety of port types as in Britain, where in the late nineteenth century we can find at least six different forms of port ownership – private, public dock companies, railway, municipal, canal companies, and trusts. And within each of these types of ownership there was an equally perplexing set of variations as to how the port was actually operated. But perhaps the greatest vogue in Britain in the late nineteenth century was for the “harbour trust.” The most obvious model was the Mersey Docks and Docks and Harbour Board, which operated the docks in Liverpool. In the first decade of this century, when declining revenues coupled with increasing demand brought about the collapse of most of the major dock companies in London, Britain’s largest port was also converted to a trust. By World War, it had become accepted wisdom among professional port managers that the harbour trust was somehow divinely ordained. Empire being what it was, British expatriates spread the gospel around the globe.⁸

Yet if there was something approaching a consensus on port policy in Britain, it is important to note that there was still lots of room for dissent. Indeed, even at the height of the mania for harbour trusts, municipally-owned ports like Manchester and railway ports like Southampton were constructed. Moreover, it was never the case that more than forty percent or so of British ports adopted the trust format. But this unfortunate reality did little to cool the ardour of its apostles. It is thus worth asking what these individuals saw as the principal advantages of trust ports.⁹

To its advocates, the most important advantage that trust-owned ports had was that they represented the interests of virtually everyone who might conceivably benefit from their services, including shipowners, merchants, marine artisans, and a whole host of maritime actors of one stripe or another. Members of trusts were frequently lauded as “gentlemen of high character and ability,” typically because they many accepted no salaries or direct payments for their services. But “indirect payments” were ubiquitous, and I hope you will not think me mean-spirited if I observe that in Britain, at least, a surprisingly large number of these “public-spirited martyrs” eventually spent time enjoying the hospitality purveyed within the walls of Her Majesty’s prisons. And once it became clear after 1919 that many of the trust ports were in serious financial difficulties, the notion that this type of organization was one of the lost Commandments became less prevalent. In short, anyone who looked at the British experience in this period would,

decent modern history of any of the eastern Canadian ports east of Québec is Elizabeth W. McGahan, *The Port of Saint John: From Confederation to Nationalization, 1867-1927* (Saint John, 1982).

⁸See Adrian Jarvis, “Managing Change: The Organisation of Port Authorities at the Turn of the Twentieth Century,” *The Northern Mariner/Le Marin du nord*, VI, No. 2 (April 1996), 31-42.

⁹D.L. Williams, *Southampton* (London, 1984); and D.A. Farnie, *The Manchester Ship Canal and the Rise of the Port of Manchester 1894-1975* (Manchester, 1980).

after piercing the rhetorical veil, notice quickly that there was nothing remotely resembling a national ports policy between 1850 and 1939.¹⁰

I think I can anticipate the next question: why would anyone expect that Britain would have had a national ports policy in this period? After all, was this not the golden age of *laissez-faire*, and was Britain not its foremost champion? Both of these shibboleths are pure poppycock: the British government constantly intervened in the economy. And in no sector was *laissez-faire* more honoured in principle but ignored in practice than shipping. Put simply, British policy-makers recognized the importance of maritime industries to the nation and were hardly believers in “leaving things alone.” Indeed, there was no set of industries that were as regulated as those related to shipping. It is precisely because government was so interested in regulating virtually every other aspect of shipping that the absence of a ports policy is so noticeable.¹¹

But to argue that it seems strange that Britain lacked a ports policy is not the same thing as contending that the United Kingdom was somehow unique. Indeed, it was not. Throughout Western Europe there was nothing approaching a well-articulated policy on ports. Take the case of Spain as an example. While the choice of Spain might seem somewhat strange, it in fact makes a good deal of sense — in the second half of the nineteenth century, Spain was an innovator in various aspects of maritime affairs. Indeed, no nation made the transition from sail to steam as rapidly. And in thinking about national ports policies, Spain was also in the vanguard. In the mid-1850s the country even adopted a ports policy of sorts, with the passage of a law that standardized port administration and provided special levies to pay for port improvements. It all sounded very nice and logical, except for the fact that most of the funds available for port improvements disappeared through fraud, were diverted to other purposes or were never collected in a misguided attempt at “competition” through reduced port duties. By 1878, the government was forced to repeal the earlier laws and, in effect, to allow ports to adopt any form of organization that they wished. Some ports with close ties to Britain, like the northern harbours of Bilbao and Santander, quickly set up harbour trusts, while a few of the largest ports, most noticeably Barcelona, sunk into chaos. By the outbreak of World War I, the idea of a national port policy had become shrouded in the fogs of time. And the turmoil that marked Spain in the interwar years ensured that ports would be ignored thereafter.¹²

Perhaps an even more logical nation to compare to Britain was Norway. After all, by 1914 Norway trailed only Britain and Germany in the volume of shipping owned in Europe. And no nation (save perhaps Finland) was as dependent upon maritime employment; almost ten percent of the Norwegian population worked directly in the

¹⁰See the discussion in Adrian Jarvis, “The Members of the Mersey Docks and Harbour Board and Their Way of Doing Business, 1858-1905,” *International Journal of Maritime History*, VI, No. 1 (June 1994), 123-139.

¹¹See the discussion about British shipping policies in Lewis R. Fischer and Eric W. Sager, “An Approach to the Quantitative Analysis of British Shipping Records,” *Business History*, XXII, No. 2 (July 1980), 135-151.

¹²See Natividad de la Puerta Rueda, *El puerto de Bilbao como reflejo del desarrollo industrial de Vizcaya, 1857-1913* (Bilbao, 1994); and de la Puerta Rueda, “Management and Finance in Nineteenth-Century Spanish Ports,” *The Northern Mariner/Le Marin du nord*, VII, No. 3 (July 1997), 41-49.

shipping or shipbuilding industries. Moreover, Norway was an export-dependent nation – and most of its exports were shipped by sea. In short, at least on the surface, one might expect Norway to have been interested in creating a national ports policy.¹³

Such expectations, however, would have been wrong. Those of us who have studied Norwegian shipping should not be surprised: no nation that depended so much on shipping was as reluctant in the nineteenth century to interfere in the industry. Even Canada, which in general also ignored shipping in the nineteenth century, bestirred itself every now and then to pass a law that impinged upon maritime industries. But not Norway, where there were no subsidies offered to shipowners or shipbuilders, and prospective liner operators who hoped to emulate British practices by winning postal subventions to subsidize new services came away disappointed. In terms of its historical experience, then, Norway was an unlikely candidate to have a ports policy, at least until after the forging of a social democratic consensus in the 1930s. But that is another story.¹⁴

In fact, the Norwegian experience came much closer to the second than to the first set of expectations. The operation of ports for the most part was left either to municipalities, as at Stavanger or Bergen, or to private interests, as in most of the timber ports along the Oslofjord and the south coast. Indeed, not until about 1905 (conveniently, also the year of Norwegian independence from Sweden) did the national government take jurisdiction over a port. This involved the northern port of Narvik, which came into being when a railway connecting the small town with the Swedish iron mines was opened. But it was a very reluctant government that agreed to operate the port, and the Norwegian Parliament made it very clear that it did not see this as a precedent. While many of the ports were nationalized during the First World War, this was a temporary expedient to allow a neutral Norway to maximize its earnings in the short-term. By early 1919, all the ports save Narvik went back to antebellum operations. Indeed, there was even a movement to turn Narvik over to private interests, but this was eventually rejected on strategic grounds. Even in 1919, Norwegians were suspicious of the awakening Soviet bear with which it shared an important land border; as the nation's most northerly commercial port, Narvik was considered too close to the USSR to be allowed to operate in the best interests of anything but the Norwegian state.¹⁵

If there was nothing resembling a ports policy in Europe, what about in North America, and especially in the United States, a country with a decidedly mixed attitude toward the sea? In the middle of the nineteenth century, Americans owned the second largest merchant fleet in the world, and more than one optimistic observer even predicted that the US was destined in a relatively short time to surpass Britain as the “Lord of the Seas.” While I never wish to cast aspersions on other peoples’ crystal balls, in this case the predictions proved totally without substance. By the late 1850s the size of the US

¹³See the discussion in Lewis R. Fischer and Helge W. Nordvik, “Floating Capital: Investment in the Canadian and Norwegian Merchant Marines in Comparative Perspective, 1850-1914,” *Scandinavian-Canadian Studies*, III (1988), 17-42.

¹⁴See the discussion on this point in Fischer and Nordvik, “Subsidy and Intervention.”

¹⁵For a lengthier discussion, see Lewis R. Fischer and Helge W. Nordvik, “The Evolution of the Norwegian Export Ports,” in Lars U. Scholl, *et al.* (eds.), *The North Sea: Resources and Sea Way* (Aberdeen, 1996), 11-55.

merchant fleet was beginning to decline, and during the Civil War about one-third of the US fleet was either lost to enemy actions or sold to new owners abroad. Significantly, there were fairly few public expressions of grief over this outside the shipowning community.¹⁶

If the initial decline in the fortunes of the US merchant fleet was a reasonably accurate reflection of the way Americans thought about the sea, the final nail in the coffin of the US shipping industry was a direct result of government actions. In 1868 a major Merchant Shipping Act required American owners who wanted their vessels to be listed on the domestic registry to buy only vessels built in America. With the single stroke of a pen, the short and medium-term fortunes of American shipping were sealed, since high-cost American-built ships automatically saddled domestic owners with a huge competitive disadvantage. Of course, there was nothing that required Americans to use their own registry – even before the days of flags of convenience, there were dozens of nations that would have been only too happy to earn the fees associated with registering US-owned vessels offshore. Congress recognized the possibility, however, and attached to the Merchant Shipping Act an important rider which reserved the rich US coastal trade to vessels on US registry. In other words, those who chose to register their vessels abroad paid a very heavy price for doing so.¹⁷

The experience with shipping demonstrated that the US, like most North Atlantic nations, had very complex and often contradictory ideas about shipping. On one hand, the prevailing ideology was something akin to *laissez-faire*, and it is unquestionably the case that the frontier exerted a greater place in the American imagination than did the sea. Yet, on the other hand, the American government proved at least as capable as any other jurisdiction of intervening in maritime industries when it so desired. And perhaps in no sector had American governments demonstrated such a willingness to intercede as in ports. The first session of Congress after the adoption of the Constitution debated the desirability of a ports policy to stimulate the economy. Moreover, the on-going debate over canals and railways was most often linked to ports. In arguing for the Erie Canal, for example, New York politicians were forever promising that investments in internal improvements would make New York City the most important port in America – and that this mattered.¹⁸ In the next three decades, local boosters proclaimed that the same advantages would accrue if canals or railways were built to connect Boston, Philadelphia, Baltimore and even Charleston to their hinterlands. New Orleans promoters, recognizing that their home port sat near the mouth of a magnificent riverine system that drained two-thirds of the land mass of the continental United States, constantly lobbied – often successfully – for improvements to the Mississippi, Missouri and Ohio Rivers, as well as for their tributaries. And when they were successful, it was only a small jump to argue

¹⁶The most sensible introduction to American shipping in this period is Jeffrey J. Safford, “The Decline of the American Merchant Marine, 1850-1914,” in Lewis R. Fischer and Gerald E. Panting (eds.), *Change and Adaptation in Maritime History: The North Atlantic Fleets in the Nineteenth Century* (St. John's, 1985), 51-85.

¹⁷See John G.B. Hutchins, *The American Maritime Industries and Public Policy, 1789-1914* (Cambridge, MA, 1941).

¹⁸This argument is elaborated in Albion, *Rise of New York Port*.

that governments needed to pay for improvements to the ports themselves, in order to maximize the benefits to be derived from previous government-sponsored public works.¹⁹

In short, despite protestations to the contrary, the US had a long history of government involvement with ports. And no amount of rhapsodizing over the metaphysical attributes of the frontier could disguise the fact that between about 1865 and the outbreak of the First World War, the US economy was transformed by what was up to that point in time the largest, most sustained export boom in the history of the world. Of course, exports never exceeded five percent of American Gross Domestic Product (compared to the 35-40% of GDP normally accounted for by Canadian exports), but most Americans were at least aware that exports contributed to their prosperity – and that more or less efficient ports were important if the export boom was to be sustained.

But did this lead to agitation for any kind of national ports policy? Not on your life! Instead, Americans adopted an ideological position on the issue: ports were local (or sometimes state) entities that could, if they wished, lobby for federal aid, but would likely serve the nation better if they competed rather than worked together. Moreover, the Constitution did not enumerate ports as a federal responsibility, and every American knew that if the Founding Fathers had not reserved jurisdiction for the federal government, control rested with the states. While “foreign trade” and “interstate commerce” were in fact federal responsibilities, there was a general (if not completely logical) consensus that ports were not.

The ultimate extension of this policy of local control of ports came in New York, where the harbour crossed state boundaries. Until the end of World War I, to speak of “port governance” in New York Harbour is to stretch the meaning of the term. Suffice it to say that jurisdictional disputes made the port as ungovernable as any such entity in the world. Some progress was made in 1921, when the Port of New York Authority was created with support from both New York and New Jersey, but well into the post-World War II era, disputes over jurisdiction made the efficient operation of the port virtually impossible.

While New York was obviously in several ways exceptional, in other ways it reflected fairly accurately the American attitude to ports. The weight of public opinion held that ports were really local problems – and that these local entities could best be improved by a leaving reform to Adam Smith’s sure and steady “hidden hand.” As long as the public believed that unfettered competition between ports was a good idea, the likelihood that a national ports policy would develop was nil.²⁰

This brings us – finally – to Canada. Despite the oft-repeated homily that Canada and the United States are closer culturally than any two nations in the world, our historical experiences have been very different. Nowhere is this more apparent than in the field of transportation. While Americans accepted some forms of government intervention – especially subsidization – by and large they believed that the private sector could be counted on to meet the nation's transport needs. The Canadian experience, however, was substantially different. In a huge and under-populated country like Canada,

¹⁹This point is dealt with nicely in René de la Pedraja, *The Rise and Decline of U.S. Merchant Shipping in the Twentieth Century* (New York, 1992), chapter 1.

²⁰The preceding section was based mainly on my own research in progress. But many of the key points are discussed in A.J. Sargent, *Seaports and Hinterlands* (London, 1938), especially 71-95; and American Association of Port Authorities, *Ports of the Americas: History and Development* (New York, 1961), 123-125.

the reasoning went, the state had an obligation to play a positive role in creating transport infrastructure.

Take the building of transcontinental railways as an example. While each of the four US transcontinentals built before World War I traversed lengthy stretches where small populations were unlikely to generate much traffic, all of them at least connected populated places to other populated places. But this was not true in Canada. There was no American equivalent to the desolate passage across the Canadian Shield. The Great Plains had a substantial settled population before any of the transcontinentals were built, but the same could not be said for the Canadian Prairies. San Francisco was a boom town when the Central Pacific began construction, but Vancouver, which was served by two of the Canadian transcontinentals, was hardly in the same league. And one of the Canadian transcontinentals was planned to terminate in a west coast city that did not even exist when the first rails were laid. Given all this, the role of government in railway building had to have been different than in the United States.

During the debates that led up to Confederation, it is noteworthy that there was little dispute over the idea that ports ought to be a federal responsibility. And right from the start the federal government in fact operated most of our ports. By the early 1930s, of the nation's 399 designated ports, 319 were operated in one form or another by the federal government. Without exception, those that were not were generally little more than undeveloped anchorages with little or no regular trade.²¹

The fact that Canadians have had different experiences than Americans in developing transportation infrastructure, combined with the fact that ports were a federal rather than a local responsibility, meant that it was possible in this country to talk about a "National Transportation System" with a straight face. Indeed, this is precisely what Sir Alexander Gibb did when he drafted his *National Ports Survey* in 1932 in response to a request from the Prime Minister of the day, R.B. Bennett. While Bennett was interested principally in advice on specific topics, such as efficiency, facilities and administration, the terms of reference he provided Gibb were sufficiently broad that the Commissioner could proceed to devise a prospective national ports policy without going beyond his mandate. His integrated set of recommendations could potentially have formed the basis for the only national ports policy around the North Atlantic rim prior to World War II.²²

Space does not permit me to go into Gibb's recommendations in detail. But it is not the details that make Gibb's plans noteworthy; instead it is the broad conception and how the parts fit together. Canadian ports, argued Gibb, "are an inherent and vital unit in a national system of transportation." "National ports," he believed, had a duty "to serve more than local interests." Indeed, "in the interests of the whole country," ports had to be "directed on national lines and in accordance with a definite, coordinated policy." Moreover, he contended that ports were too important to be left solely to the whims of

²¹The foregoing is discussed at greater length in Lewis R. Fischer, "Ports and Managers: A Comparative Examination of the Historical Development of Port Management in Australia and Canada, 1850-1970," paper presented to the Annual Conference of the Canadian Nautical Research Society, Saint John, N.B., May 1997.

²²Sir Alexander Gibb, *National Ports Survey, 1931-32* (Ottawa, 1932).

“business and economics. For these reasons,” he concluded, “they must be subject to a considerable amount of federal control.”²³

Having disposed of the philosophical arguments, Gibb proceeded to sketch how these ports ought to be operated. He believed that in the first instance government ought to abolish harbour boards where they existed, which was in about fourteen ports at the time. Instead, he recommended that operating authority be vested principally in a Port Manager. This was one of his more contentious arguments, since it smacked firmly of centralization and went against regional and local self-interests. Yet if we accept that ports play national rather than local roles, the old bromide that local control is always better loses much of its power. While local people may well have a greater knowledge of local conditions and local needs, this becomes less relevant if ports are conceived of as part of a national web.²⁴

Lest you think that Gibb was proposing the ultimate in “big brother” administration, I should also point out that since in his view “adequate representation of local interests and port users...is essential,” ultimately all ports should have “a strong local Harbour Council” where warranted. He left the decision on whether to create such a board chiefly to local sentiment and local interests, and urged the federal government to create them wherever and whenever they were requested.²⁵

Fleshed out with a series of specific recommendations, Gibb's report provided a solid base for the evolution of a national ports policy. But this is different than saying that the report led to the creation of such a policy. By the time that the Bennett government received the report, Canada was at the nadir of the depression. And given Bennett's reluctance to see public works as a solution to the related problems of unemployment and deflation, it is hardly surprising that he put the report on the back burner. Yet in 1934, Bennett's outlook changed. Whether this was caused by the constitutional requirement to hold an election, as cynics would have it, or because the harshness of the depression had radicalized him, as his more ardent supporters would have it, remains an open question. But we do know that among the programmes traditionally lumped together as “Bennett's New Deal” were several that used public works to create jobs. None, however, involved ports.²⁶

If the Gibb Report languished under the Conservatives, it was completely ignored by the Liberal administration presided over by Mackenzie King. Judged by longevity, King may well have been one of Canada's greatest Prime Ministers. But if the criterion is shifted to compassion, his ranking would be much closer to the bottom. We know, for example, that he submitted Bennett's most progressive programmes to the Supreme Court, which quickly ruled them unconstitutional. As perhaps our most cautious Prime Minister, it should occasion no surprise that he ignored the Gibb Report. When Canada entered the Second World War in 1939, even the limited number of ardent proponents of Gibb's recommendations dropped the issue for the duration. This suited King just fine.

²³*Ibid.*, 4.

²⁴*Ibid.*, especially 12-16 and 26-30.

²⁵*Ibid.*, 26.

²⁶This is all discussed more fully in Fischer, “Ports and Managers.”

That Gibb's recommendations fell victim to caution and political and bureaucratic ennui is in my view unfortunate. It is unfortunate because by ignoring his recommendations, Canada was left with an inefficient port system. I have written about this in other places, and I have no desire here to repeat myself. But suffice it to say that by most criteria, Canadian deep-sea ports by the 1930s were among the least efficient in the world. While there are no guarantees that the Gibb Plan would by itself have transformed Canadian harbours into paragons of efficiency, the sheer logic of what he suggested should at the very least have made our ports more efficient. It is today a virtual cliché among historians to argue that Canada's ports performed "brilliantly" in World War II, but a closer examination of ports like Halifax demonstrates that this was simply not true. Canada played a major role in World War II **in spite of our ports — not because of them.**²⁷

And had our leaders paid more heed to Alexander Gibb's recommendations, many of the follies of post-1945 port developments might have been avoided. What is even more certain, I suspect, is that we would not today be facing the lunacy of devolution, in which a "downsizing" (or "fiscally prudent," if you like the term better) federal government is attempting to pawn off responsibility for most ports to local authorities. If you are prepared to believe that ports ought to serve primarily local functions, and that ports have no real national responsibilities, then you might well be a cheerleader for this approach. But if you share the larger vision propounded by Gibb — and if you have examined the waste that is part and parcel of **NOT** having a national ports policy — you may well reach the opposite conclusion. Ports, as I have tried to show you today, have traditionally been among the least managed sectors of the North Atlantic maritime economy. But as Sir Alexander Gibb so eloquently reminded us two-thirds of a century ago, it did not have to be this way. There were — and are — alternatives, if we only can muster the imagination, common sense and will to grasp them.

²⁷I have examined the performance of Halifax quantitatively in Lewis R. Fischer, "A Losing Battle: The Struggle for Efficiency in Australian, Canadian, and American Ports, 1919-1945," paper presented to the Fifth Colloquium on Port History, University of Leeds, May 1997.