



Transforming Fogo Island: social enterprise and community resilience in rural Newfoundland: what role can social enterprise play in supporting rural communities?

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In an instance where rural Canada is undergoing economic, social, and demographic transformation (Parkins and Reed, 2013), the approaches encapsulated in social enterprise models are increasingly being looked to for inspiration (SEOntario, 2018). Defined as community-controlled businesses which blur the boundaries between for-profit and non-profit ventures, social enterprise can generate economic value in areas where other forms of development have struggled (Dart, 2004). As O’Shaughnessy and O’Hara (2016) demonstrate, social enterprises can fill rural provision gaps left by the absence of state or private sector services, and include entities which organize rural transportation, support farmer’s markets, ensure childcare options, maintain local shops, and include start-up mentoring and small-scale loans. Social enterprises can be created by non-profit organizations as a way of generating revenue, and are viewed as development models which deliberately returns economic surplus to communities (Mendell, 2010; Lionais, 2015).



Figure 1: The Fogo Island Inn stands above the community of Joe Batt’s Arm, Fogo Island, Newfoundland, in May 2018

This latter point – of social enterprise a socially-engaged, community-conscious approach to economic development – has been taken up by the Shorefast Foundation¹, in Fogo Island, Newfoundland (NL). Self-identifying as a social business with a stated goal of supporting rural resilience, the Shorefast Foundation has created a series of products and tourism-focused activities which creates profit for the organization, and in turn, provide funding for local amenities. Best known for the internationally recognized Fogo Island Inn, a luxurious and often photographed hotel at the northern edge of the island, the Shorefast Foundation also has an artist-in-residence program, microlending and business development schemes, and a focus on maintaining

¹ <https://shorefast.org/>

local boat building and crafts traditions (Shorefast Foundation, 2018).

The role of the Shorefast Foundation in renewing interest in Fogo Island and driving economic innovation in the region is starting to be recognized in academic publications and media coverage (Slawinski, 2016; Bailey, 2018). As Rockett and Ramsay (2017) note in a preliminary study of the Shorefast Foundation, residents of Fogo Island are cautiously optimistic about the long-term economic and social benefits of this enterprise model, especially in terms of local job creation. At the same time, questions have been raised about the commodification of local culture to meet the demand of visitors, and tensions noted between the Fogo Island Inn and surrounding communities in terms of tourism representation and engagement processes (Sharratt, 2017; Rockett and Ramsay, 2017).

The Shorefast Foundation provides an interesting case study on the role of social enterprise in rural communities. In the paragraphs that follow, I first situate Fogo Island and contextualize the work of the Shorefast Foundation, before raising questions about the meaning of ‘resilience’ and the role of social enterprise in rural Newfoundland.

Fogo Island in context

Locating Fogo is a curious process: the Fogo Island Inn website declares the island as “the farthest edge of the earth²”, while the Fogo municipal website claims that travelling there is easy³ (Fogo Island Inn, 2018; Town of Fogo Island, 2018). Reality sits somewhere in between, mediated by wind and snow conditions, your choice of vehicle, and the length of the ferry lineup.

The island is roughly 16km from the ferry port facilities in Farewell, NL, and 100km from the regional international airport in Gander, NL. It has 11 communities, nearly all hugging the rocky coastline, and which were amalgamated into a single municipality – called the Town of Fogo Island – in 2011. This single municipality covers 237 square-kilometers and services 2,244 people (Statistics Canada, 2016). Resource jobs (primarily fishing) and service sector work (tourism included), along with manufacturing (including fish processing) and transport, account for nearly 2/3 of employment on the island, where the average age is 48 and most residents live in detached single-family homes (Statistics Canada, 2016). From census data alone, Fogo Island mirrors many other rural regions of Newfoundland, which are experiencing population decline (Fogo has seen a drop of -6.3% between 2011 and 2016; Statistics Canada, 2016), demographic changes towards an aging population, and increasing food costs and food insecurity (see Harris Centre Vital Signs report⁴ for more details on rural Newfoundland).

Yet, Fogo Island is anything but ordinary. Over the last seven years it has been the object of a detailed study in the New York Times Magazine⁵ and The Guardian⁶, an article in National Geographic⁷, and photo essays in several architectural magazines, including Azure⁸ and Dezeen⁹. Much of this attention is due to the work

² <https://www.fogoislandinn.ca/outside>

³ <http://www.townoffogoisland.ca/home/discover-fogo-island.htm>

⁴ https://www.mun.ca/harriscentre/vitalsigns/Vital_Signs_2018_-_Final_2_-_Pages.pdf

⁵ <https://www.nytimes.com/2012/03/18/t-magazine/the-possibility-of-an-island-in-canada.html>

⁶ <https://www.theguardian.com/travel/2011/jun/27/canada-newfoundland-fogo-island-inn>

⁷ <https://www.nationalgeographic.com/travel/canada/fogo-island-newfoundland-and-labrador/>

⁸ <https://www.azuremagazine.com/article/todd-saunders-breathhtaking-fogo-island-inn/>

⁹ <https://www.dezeen.com/tag/fogo-island/>

of the Shorefast Foundation, who actively market Fogo as a unique destination, and promote both the Fogo Island Inn and associated arts programming on a global scale. International media portrayals of Fogo frequently bump into the more complex rhythm of the place: Fogo is a luxury travel destination, where households still see brown-tinted water flow through their taps¹⁰ (the Fogo Island Inn has a stand-alone water filtration system); the Island has a well-used airport strip and heliport, and resident-led protest of the ferry schedule¹¹ that have resulted in blockades¹². Most places are dynamic, difficult to pin down, and not easily reduced to single characteristics or categories. In Fogo, this complexity sometimes reads more like a duality, of being extraordinary and typical at the same time, with the Shorefast Foundation carefully curating how the island is visually represented.



Figure 2: Fishing stages and houses in the Town of Fogo, Fogo Island, Newfoundland, May 2018.



Figure 3: Brimstone Head Trail, Fogo Island, Newfoundland, May 2018.

To visitors (researchers included), Fogo Island seems like a coherent landscape, with fishing stages jutting out in the water and colorful clapboard houses lining the coast. The island has a school, library, an indoor ice rink, several grocery stores, café and restaurant options (some seasonal), along with five post offices and numerous walking trails and children’s playgrounds.

Icebergs float by in spring, and winter brings banks of snow and packed sea ice. With no public bus system, driving is the main mode of transportation, although cyclists can sometimes be spotted, and boat traffic can be notable in warmer months. A main road sweeps from the ferry port in the south-west of the island, and weaves between all of the towns and communities of Fogo, often staying close to the water’s edge. There are hills, some with spectacular views of the craggy moss-covered landscape that has made Fogo famous, but there are also boggy patches and dense forests which extend to the interior of the island. Foxes slink along the roads, caribou meander across fields, and whales are visible off-shore during the warmer seasons. Sea birds are abundant, not least seagulls who squat the fish processing plants.

The allure of Fogo is easy to grasp: it is quiet, on clear days the water sparkles and the vistas are spectacular, the walking trails are diligently maintained, the clusters of houses photogenic, and the rhythm of the place inspires reflection, rest, and a touch of the sublime.

¹⁰ <https://www.thecentralvoice.ca/opinion/letter-to-the-editor/water-woes-in-fogo-75254/>

¹¹ <https://www.northernpen.ca/news/local/protests-erupt-over-ferry-service-on-fogo-island-and-change-islands-25373/>

¹² <http://ntv.ca/fogo-island-strikes-back-in-ferry-wars-with-beaumont-hamel-blockade/>

The Shorefast Foundation in focus

Established in 2006 by Zita Cobb and her brothers, the Shorefast Foundation takes its name from a fishing technique where a cod trap is set in the water and fastened to the shore. The creation of the Foundation emerges from a personal commitment to Fogo: Zita Cobb¹³ grew up on there, moved away for university and for work, and returned as a multimillionaire and recently retired CEO in the fiber optics industry. It is that personal financial capacity which enabled the creation of the Foundation, with Cobb investing nearly 75% of the \$41-million construction cost for the Fogo Island Inn, with government grants making up the rest (Shorefast Foundation, 2018).

Designed and built by architect Todd Saunders – a process documented in the film *Strange & Familiar*¹⁴ – the Fogo Island Inn opened in 2013 and has 29 rooms, a panoramic dining room, cinema, library, sauna, and a range of other amenities. Room rates start at \$1,875CDN, and the Inn has deliberately positioned itself within the luxury travel market as a way of ensuring that profit is generated, but that Fogo Island is not overwhelmed by a surge of visitors. The Inn also showcases local craft traditions, with quilts spread on beds, bespoke woodwork, handmade rugs, and design features which mimic the vernacular architecture of Fogo.



Figure 4: Squish Studio above the town of Tilting, Fogo Island, Newfoundland, May 2018.

In many ways, the activities of the Shorefast Foundations build on a long tradition of local creativity and resilience. Fogo Island first gained attention in the late 1960s when the National Film Board and Memorial University engaged with residents to produce 27 films that capture moment of everyday life, and reflect on the challenges faced by Fogo residents. That collaboration became known as The Fogo Process¹⁵, an approach which buildings community dialogue through filmmaking, especially in areas undergoing social and economic transition. The 27 films created a pivot for discussion, and spurred change on the island: the Fogo Island Cooperative Society¹⁶ was established to serve fishers and processors, and the community banded together to resist forced resettlement¹⁷ to the main island of Newfoundland. The 1992 cod moratorium¹⁸, which effectively close the fisheries in Newfoundland and ended centuries-long economic relationships, also altered the socio-economic structure of Fogo Island, with unemployment climbing, and increasing out-migration as residents sought economic opportunities elsewhere.

¹³ <https://www.nationalgeographiclodges.com/lodges/north-america/fogo-island-inn/explore-more/meet-the-owner/>

¹⁴ <https://vimeo.com/146408500>

¹⁵ <https://www.nfb.ca/playlist/fogo-island/>

¹⁶ <https://www.fogoislandcoop.com>

¹⁷ <https://www.heritage.nf.ca/articles/politics/resettlement-program.php>

¹⁸ <https://www.heritage.nf.ca/articles/economy/moratorium-impacts.php>

Rural resilience through social enterprise?

The Shorefast Foundation has positioned itself within these complex local dynamics: it seeks to bring jobs back to Fogo and mitigate the considerable impacts of the fisheries closure, and aims to valorize local heritage and preserve unique Fogo traditions for residents and visitors alike. In an instance where resettlement continues to be a consideration for outport Newfoundland – albeit on a voluntary, not mandatory, basis – the Shorefast also seeks to maintain the social, economic, and cultural networks needed for Fogo communities to remain in place. Yet the Shorefast brand also depends on articulating a specific vision of Fogo as a place and as a community, and it is on this point that tensions are produced around the meaning of rural resilience and the role of this social enterprise.



Figure 5: Boat in the town of Deep Bay, with an iceberg in the background, Fogo Island, Newfoundland, May 2018.

Resilience is defined as the capacity of a community to thrive, and not just survive, during time of rapid change (Magis, 2010). Resilient communities are able to recognize the resources, assets, and capacities they hold, and mobilize them to successfully overcome internal and external pressures. As a social enterprise geared towards economic and social sustainability for Fogo Island, the Shorefast Foundation certainly has a stake in the process, and has consistently delivered on many of its financial promises: the Fogo Island Inn is profitable¹⁹, with all surplus funds re-invested into microgrants, arts programming, and a range of services.

At the same time, as Sharratt (2017) has argued, the Shorefast Foundation effectively depends on the commodification of Fogo as a place to generate this financial profit. In other words, the branding of Fogo as a unique attraction depends on categorizations of the island as remote, non-industrial, and disconnected from global financial markets (Banoub, 2012). In the process “the results of underdevelopment become commodified as markers of authenticity” (Sharratt, 2017, p. 8), and Fogo feels caught in a bind: for the island to thrive, it requires economic development and interconnections with Newfoundland and beyond; yet for Fogo Island Inn tourism to continue, the island must cultivate its remoteness and disconnections.

The transferability of the Shorefast approach is a point also worth considering. Since the opening of the Fogo Island Inn, Zita Cobb has travelled extensively to promote the Fogo Island Inn as a destination and the Shorefast social enterprise as a model for rural communities²⁰. However, the establishment of the Shorefast Foundation depended on elements which may be difficult to reproduce elsewhere: a wealthy investor with a personal commitment to Fogo.

In this context, the notion of community resilience takes on a complexity of meanings. While the financial success of the Shorefast Foundation is well established, the impacts of this venture on Fogo as a place are more difficult to determine. Through the Shorefast model, economic resilience largely hinges on tourism and associated sectors, mimicking the structure of single-industry development. The one hundred new local jobs

¹⁹ <https://www.ctvnews.ca/lifestyle/like-a-miracle-fogo-island-inn-a-lucrative-success-on-canada-s-eastern-edge-1.3958037>

²⁰ See press coverage here: <https://shorefast.org/news-and-ideas/#press>

created (CBC News, 2015) have certainly begun to replace the employment lost through the cod moratorium, yet how this will play out in the long-term is difficult to judge. Equally, the importance of Zita Cobb as the driver and champion of the Shorefast process has notable implications: unlike The Fogo Process of the 1960s which was initiated by a range of actors and community driven, the Shorefast Foundation is more dependent on the energy and vitality of a single individual to bring the project to international attention. Community resilience is measured over the long-term, and the impact of this social enterprise on the economic, social, and cultural texture of Fogo Island will take some time to understand, with a recently launched project on the topic a first step²¹.

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²¹ <https://gazette.mun.ca/research/lessons-from-shorefast/>

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