

## JERSEY AND SAINT-PIERRE-ET-MIQUELON

The influence of geographical marginalities and cultural resurgences on the economic development of island border territories

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### Abstract

Despite their obvious differences, comparisons of Jersey and Saint-Pierre-et-Miquelon are pertinent and informative due to their respective institutional statuses and locations. Saint-Pierre-et-Miquelon, situated close to the Canadian island of Newfoundland, is fully included within the French Republic but does not belong to the European Union. It thereby has room for manoeuvre beyond the scope of standard regions within the national context. Jersey, a dependency of the British Crown, lies 24 kilometres off the Cotentin Peninsula, part of the French region of Basse-Normandie. Not included within the United Kingdom and, by extension, out of the European Union, it has been able to develop a set of skilled activities, mainly in the financial sector.

At their different levels and temporalities, these island-border territories are institutional and geographical margins that have tended to develop dematerialised activities within extended spatial systems. In addition to addressing this aspect, the article also stresses a second aspect of the islands' relational pattern that has - in recent years, at least - led them to remember and revive former (and largely forgotten) cultural links with their continental vicinities. The phenomenon of local resurgence is prevalent in Jersey, where it operates in something of a counterbalance to global drifts in the finance industry and in Saint-Pierre-et-Miquelon, with particular regard to the reactivation of its historical links to Acadia.

### Keywords

Jersey, Saint-Pierre-et-Miquelon, insularity, border, cultural resurgence

### Introduction

Both Saint-Pierre-et-Miquelon and Jersey can be categorised as “island-borders” (Fleury, 2006) because of their greater proximity to foreign countries than their tutelary powers. Their particular situations arose from geopolitical anomalies that are residual effects of the historical British domination over maritime power in the North Atlantic. The Channel Islands, Jersey in particular, are deeply inserted into a bay in the North West of France. It is very surprising that France has never been able to conquer this island so

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close to its shore despite the fact that the Channel Islands have for centuries provided England with a significant strategic advantage in controlling seaways leading to London and have provided a base for hostile operations against the adjacent French mainland.

In the case of Saint-Pierre-et-Miquelon, French sovereignty did not arise from a successful deployment of its maritime power but rather originated as a concession over access to north-eastern Atlantic fisheries on the part of the British winners of the American episode of the Seven Years War, under the terms of the Treaty of Paris in 1763. Two hundred and fifty years later, Saint-Pierre-et-Miquelon can be considered as both part of Europe (through its status as a Collectivité d'Outre-Mer de la République Française) and in North America, from a spatial angle. People living on the islands enjoy full French and European citizenships but their territory, their ground, does not belong to the European Union<sup>1</sup>. For its part, the British Crown dependency of Jersey is spatially in Europe but is not part of the European Union. So both territories enjoy a subtle form of non-European Union membership that has consequences for their development. This article outlines these and characterises their cultural resurgences.

The notion of marginality is quite ambivalent. Whether the term refers to people or territories, it concerns limits, as well as precariousness, but also freedom. The conjunction of these divergent characteristics enables both territories discussed here to use their marginalities – institutional and/or geographical – as an agent of development.

### **I. Jersey, an island involved in a global shift**

Jersey lies 24 kilometres off the Cotentin Peninsula, which is a part of the French region of Basse-Normandie. Due to its status as a British Crown dependency, the Channel island of Jersey has been able to develop a range of high-level activities in the finance industry. At the beginning of the 21st Century, this sector employs around 15,000 people out of a total population of 90,000. This prominence can be considered as the continuation of an ability to take part in extended spatial systems. Towards the middle of the 18th Century, Jersey joined global trade networks due its control of the cod fishery in Gaspesia (Lepage, 1983; Ommer, 1991). This capitalist success - which lasted more than a century – foreshadowed its current prosperity, notably with regard to its strong connections with the London's financial centres.

Since the end of World War II, Jersey authorities have developed a set of legal provisions that have enabled financial institutions to attract funds. This strategy relied on a range of particularly propitious conditions. Jersey's status as a non-EU member, and the 'protective screen' offered by the United Kingdom, has been much appreciated by local institutions. Local fiscal policy is favourable in so far as the income tax levy is restricted to 20%. There is no taxation on offshore societies, successions, capital gains, interests or added value and the legal system guarantees banks' secrecy to protect against unwanted and unauthorised disclosure of financial matters. As a result, the economy of the island does not need any help from the United Kingdom or the European Union. Even if Jersey no longer has annual budget surpluses, as it did during the period 1997-2000, a survey of the States' finances reveals a close management, characterised by a lower proportion of Gross National Product devoted to Health and Education expenditures than is standard for most European countries. All these characteristics are well appreciated by people and various institutions likely to entrust their money to the island's financial service centres.

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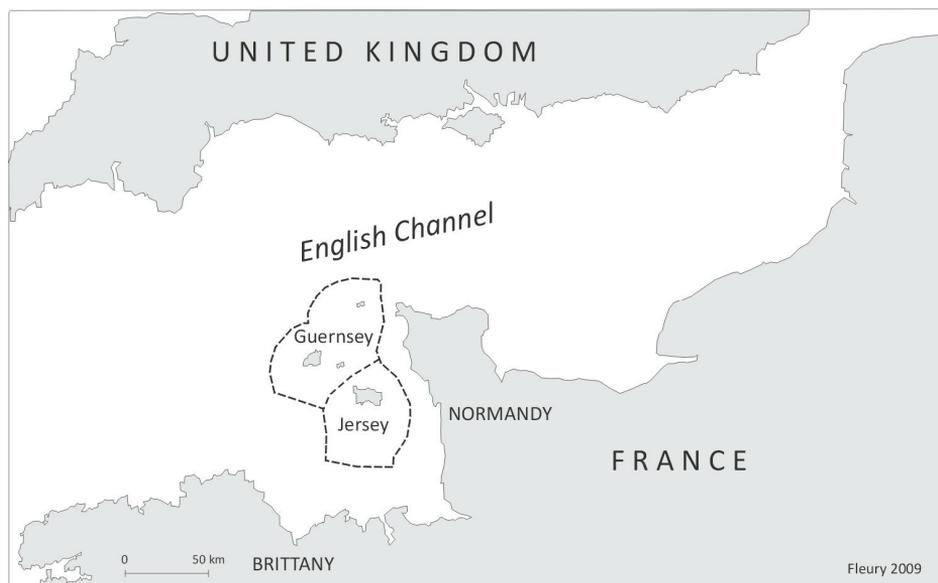


Figure 1- Location of Jersey

Amidst a range of high-level financial skills, trust management is probably the most prominent aspect of Jersey's system. Two hundred and forty billion pounds of this financial activity – unique to Anglo-Saxon Law - was administered in June 2008<sup>2</sup>. Trust management is an arrangement by which property is put under the ownership and control of a physical person or entity (the trustee) who bears the responsibility of administering it for the benefit of another, called the beneficiary. The duties of the trustee are identified in a trust agreement in which the date of the trust term is specified. The beneficiary does not control the manner in which their funds generate added value. The Jersey authorities provided this financial product with a specific legal implementation in 1984, which was later modified to provide a degree of transparency due to external pressures concerning the prevention of money laundering. However the current regulation does not include a registration clause that could enable external agencies to obtain information about the number and amount of converted funds<sup>3</sup>.

The financial engineering skills of operators in the Channel Islands' jurisdictions are widely acknowledged. A survey of 100 London city bank customers published in February 2004 in the British financial magazine *Legal Week* granted the first place to Jersey, in recognition of the quality of its jurisdiction. With 87% of favourable opinions, Jersey outstripped Guernsey (81%), Bermuda (49%), The Cayman Islands (42%), New Zealand (36%), the Isle of Man (12%), the British Virgin Islands and Mauritius (9%). But, as broached above, this prominent position in the global financial sphere has raised suspicion that Jersey's tax haven status implicates it in money laundering. The arguments of those who criticise the tax havens are well identified, and tend towards two directions (Mitchell et al, 2001). On the one hand they identify such safe havens as conducive to and beneficial for criminal operations and terrorists. On the other, they identify the fiscal advantages such systems bestow as stigmatised, perceiving these 'shunting strategies' as the source of a harmful fiscal leakages which jeopardise the financing of the civil services in the states concerned. The principle of confidentiality

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that local financial operators champion can also be interpreted and denounced as a problematic secrecy.

From a social perspective, land pressures on Jersey caused by the concentration of finance industry operators have contributed to a drastic increase in rents that has had a detrimental impact on the living conditions of the proportion of the population which benefits least from the high wages paid in the financial industry. This is not only manifest in the low wages and conditions of those with employment in restaurants or hotels but also those working in the Education and Health sectors. In response to these issues, the Jersey authorities have sought to extend their recruitment to citizens of various former British colonies and to develop ways of attracting teachers and nurses, such as financial compensations intended to ease the impact of the high cost of housing on the family budgets. On a wider scale, the bad reputation of offshore financial centres is apparent in European public opinion and, more specifically, in frequent comments made by most of their political leaders, especially in France<sup>4</sup>. At the end of the 1990s, some large-scale cases identified a number of failures in Jersey's regulation. Within the context of an enquiry dealing with what has been termed 'The biggest banking fraud of the 20th Century' - relating to the Bank of Credit and Commerce International (BCCI) - a district attorney from New York who had made some progress in pursuing matters in other offshore centres characterised his collision with Anglo-Norman jurisdictions in the following terms:

*My experience with both Jersey and Guernsey has been that it has been not possible for US law enforcement to collect evidence and prosecute crime. In one case we tracked money from the Bahamas through Curaçao, New York and London, but the paper trail stopped in Jersey and Guernsey.... It is unseemly that these British dependencies should be acting as havens for transactions that would not even be protected by Swiss secrecy law<sup>5</sup>.*

One plank of local operations' defence against such criticisms relates to monitoring activities provided by the OECD (the Organisation of Economic Co-operation and Development). This organisation, which is based in Paris, comprises representatives from thirty member countries (comprising all the main Western economic powers and also Japan and Korea). Committed to "democracy and the market economy"<sup>6</sup>, the OECD can be considered as a global observatory whose concerns (and publications) cover a wide spectrum including macro-economy, trade, education, development, science and innovation. It is also fundamentally concerned with countering bribery and money laundering, the former being addressed by the Working Group on Bribery, which monitors the implementation by signatory countries of the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions<sup>7</sup>.

At the request of the governments of member countries, the OECD published a range of recommendations in 1998 pertinent to offshore financial centres generally seen as tax havens. Their underlying priority was to improve transparency regarding the origin and management of capital and to establish effective exchange of information in tax matters; aiming to reduce what the OECD has identified as harmful fiscal competition. In 2000 the organisation identified 35 problematic jurisdictions, two of which were the Channel Island bailiwicks of Jersey and Guernsey. As a result of such pressures, Jersey authorities signed an agreement on withholding tax applicable to EU residents who have savings on the island. But the finance industry has retained confidentiality with regard to

its speciality - trust and funds management. Over and above this, such management companies do not hide the fact that they can also pursue alternative strategies, such as developing business with less regulated offshore jurisdictions, such as Caribbean territories for instance.

The interlocking of offshore financial centres is a phenomenon that does not aid the transparency claimed by some and apparently granted by others. Thus the Channel Islands based firm Ogier (formerly named Ogier & Le Masurier), which is one of the world's leading providers of offshore legal and fiduciary services, extended its organisational scope in 2004 with a branch named Ogier Boxalls, born from a merger with a Cayman Islands company. Its 300 employees serve customers as HSBC Alternative Investments Limited, Lloyds TSB Bank, UBS Warburg, Bank of America, Exxon, Crédit Lyonnais Americas and Esso Standard Oil. One of its leading managers did not conceal the advantages of such an operation when he declared himself "very excited by the merger. The multi-jurisdictional capability will be very attractive to our clients both locally and internationally"<sup>8</sup>. The use of the term 'multi-jurisdictional' expresses the room for manoeuvre that offshore jurisdictions can benefit from due to their abilities to conceive increasingly intricate systems (largely in order to satisfy their customers' inclinations for secrecy). On that account, statements published by the Financial Action Task Force on Money Laundering (FATF), which describes itself as "an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing"<sup>9</sup> are illuminating. Its annual reports scrupulously analyse the status of financial centres and measure their progress towards transparency and accountability. Without entering into detailed discussion of individual cases, it is sufficient to observe that jurisdictions proceed at different speeds and submit to its recommendations in different manners.

In early 2004 the Jersey financial group Sinel announced its establishment in Anguilla. A company press release stressed that the Caribbean island was "something like Jersey twenty years ago"<sup>10</sup>. The offshore initiative, and the company's temporal comparison, suggests that its compliance with Jersey regulations does not provide evidence of the efficacy of international financial management strategies. Tax havens also have other opportunities to deal with the imbrication of financial localities. The Carlton Press group, for instance, has produced an online guide entitled 'Banking Intricacies and Oddities' which outlines how to avoid taxes by making use of both Channel Islands' jurisdictions:

*If you incorporate in Jersey, bank interest earned on deposit in a Jersey bank will be taxable as "local income" at the 20% rate. Curiously, a Jersey company can avoid the 20% levy on its bank interest by keeping its bank deposits in a Guernsey bank. Guernsey bank interest is treated as "foreign source income" and is not held to be within the scope of the "local tax". The situation works well in the reverse too, and a Guernsey company can receive bank interest from a Jersey bank without incurring a "local income tax liability".<sup>11</sup>*

The gap between normativity and effectivity undoubtedly contributes to the success of Jersey as a financial centre on a global level; and this phenomenon can be broadly attributed to the exploitation of its institutional marginality. In a radically different form, Saint-Pierre-et-Miquelon also demonstrates this characteristic of integration into global systems due to the exploitation of marginality.

## II. The Subtleties of Saint-Pierre-et-Miquelon's non-EU Membership

Since 1763, Saint-Pierre-et-Miquelon has been the only residual “confetti of [French] empire” in North America (Aldrich and Connell, 1992: rear cover note). The colony was specifically conceded - and maintained - for the purpose of providing a support base for French fishermen operating in the Grand Banks area off the coast of Newfoundland. But, despite its small size and limited population, from the moment the colony was stabilised in 1815, the territory also began to operate as an important transatlantic trade centre.

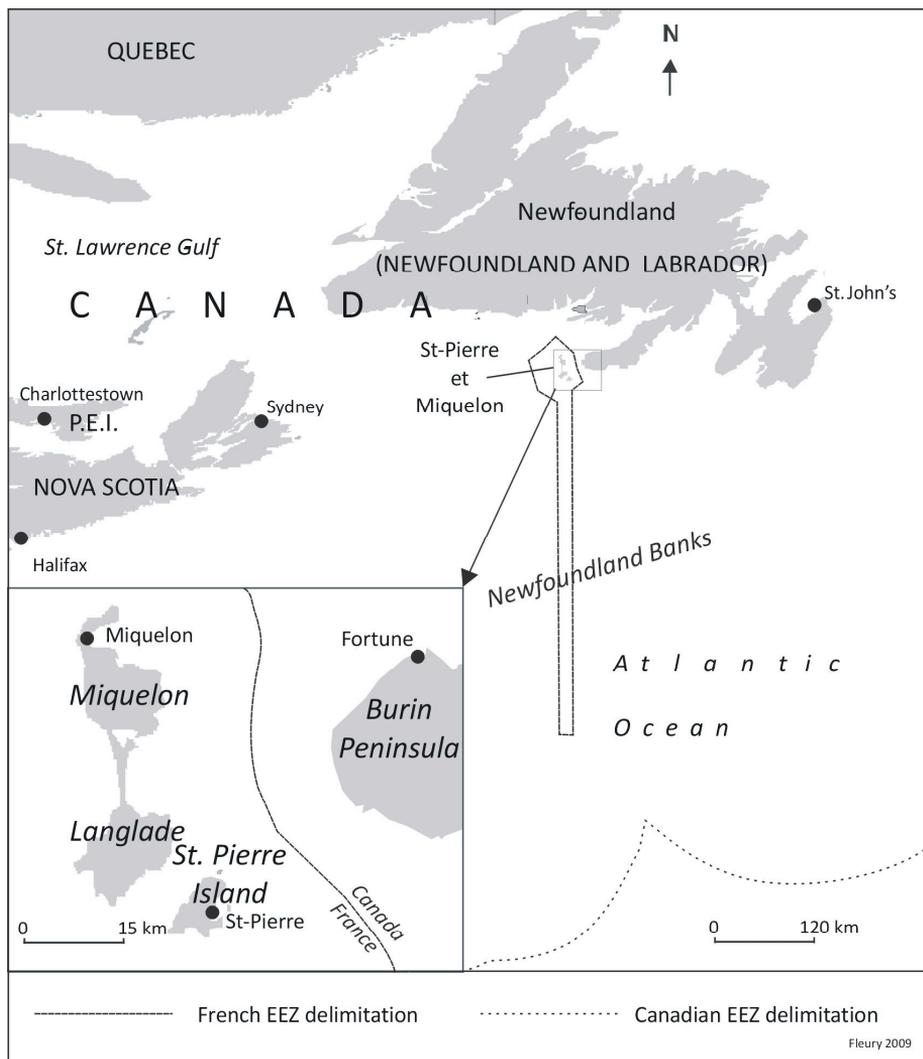


Figure 2 – Location of Saint-Pierre-et-Miquelon

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Throughout the 19th Century, the colony developed and diversified from a demographic point of view. Mainly originating from Normandy, Brittany and the Basque region, fishermen came first individually for the six-month fishing season and then many sent for their family members to come and join them. Some others wintered in Saint-Pierre to avoid the expense and the inconveniences of a return transatlantic crossing. A significant number of these married Newfoundland-born women of Irish origin (Girardin, 1990). Around 1850, Basque canneries were established and their employees settled. Another element of the population comprised metropolitan civil servants sent to the territory to administer its activities.

Despite the tiny French colony being more orientated to metropolitan Europe and the sea than to neighbouring Canada; its location as an island-border has allowed it to take advantage of its distinct legal and tax regimes with regard to trade with North America. One manifestation has been the long-running history of smuggling goods into Newfoundland but the most dramatic exploitation of this situation occurred during the period of the implementation of the Volstead Act, the 18th constitutional amendment which introduced the prohibition of the production, sale and purchase of alcohol in the United States from 1920 to 1933. From 1922 on, the quays of Saint-Pierre were transformed into warehouses, charging fees for the storage and handling of alcohol passing through there (Andrieux, 1983). The boxes were then shipped toward the 'Rum Line', a maritime boundary corresponding to the limit of the United States or Canadian territorial waters. Once across this border, the alcohol was transferred to fast boats that delivered their cargo to secluded landings, with the goods being transferred on to its places of consumption. In 1933, the legislative changes carried out by the newly-elected president Roosevelt led to the abrogation of the Volstead Act. The long-term impact on Saint-Pierre-et-Miquelon was mixed. While private fortunes were made and while the influx of money allowed for the financing of public facilities, the fishing industry was abandoned and the economy remained in a slump from which the French archipelago did not emerge until the end of World War II.

During the 1980s it became apparent that regional fish resources were drastically diminishing and in 1992 Canada imposed a ban on cod fishing in waters surrounding the French archipelago. This decision came shortly after another one, delivered by an international court of arbitration sitting in New York, concerning the partition of the waters to the south of Newfoundland between Canada and France (Day, 1990; Bélorgey, 1993; McDorman, 1990). The ruling strongly dissatisfied the population of the archipelago, with particular regard to both the size and shape of the EEZ (Economic Exclusion Zone) attributed to France - 10.5 nautical miles width and approximately 200 nautical miles length – which many considered as highly inappropriate and inadequate for economic purposes (Figure 2). These events combined to deprive Saint-Pierre-et-Miquelon of its predominant source of income, not only that directly provided by the fishing industry but also that generated by numerous visiting ships and by regular supplies delivered to maintain the activity of the cod processing plant that employed over 300 people (in a total population of about 6,300). Saint-Pierre-et-Miquelon rapidly found itself in the position of being entirely dependent on metropolitan France and began eagerly looking for ways of overcoming this loss of collective self-respect and economic buoyancy. In this regard, its particular status vis-à-vis the EU assists in giving it more room for manoeuvre than some parts of the metropolitan France. The EU accords external territories of member countries (such as France's African, Caribbean and Pacific colonial residue) recognition as territories that are able to choose their own fiscal policies as well as enjoying an association with the EU on customs exemptions.

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Business proceedings based on 'rules of origin'<sup>12</sup> and customs clearing – are the two main ways to exploit these advantages.



Figure 3: Ambivalence inscribed within the urban morphology of Saint-Pierre: a French norm (the electric pole) and the North American appearance of the houses

Goods coming from overseas territories such as Saint-Pierre-et-Miquelon enjoy both unlimited access to the EU and exemption of tax duties. As a result, Canadian companies are interested in making use of the French territory as a gateway to the EU. Canadian goods exported directly from Canada to an EU member country are subject to stringent national controls, standards and duties but export through Saint-Pierre-et-Miquelon offers significant advantages. Food processing is a core activity here. Lobsters were one of the first products to exploit this facility, with an agreement about their export being established in 2003 (Council of European Union, 2003). Saint-Pierre-et-Miquelon then obtained a derogation of origin for this product coming from the Canadian province of New Brunswick. The transit of a maximum of 225 tons a year through the French archipelago enables an exemption of the 16% of customs duties normally applied to foreign products on condition that they are processed, in this case, in the form of frozen tails and claws.

By the end of the 1990s, customs clearing established itself as another successful enterprise. It can be considered as a good example of the conjunctive exploitation of two types of marginality, both institutional and spatial. The French archipelago is well located for the sea traffic between North America and Europe, especially that coming from the St Lawrence Seaway (Figure 2). As the biggest aluminium plants in Canada are located in the province of Quebec, along the St Lawrence and Saguenay rivers, the aluminium shipments thereby pass close to Saint-Pierre-et-Miquelon. Article 36 of the agreement between the Union and the Overseas Countries and Territories belonging to

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members allows them to clear goods intended for a European country rather requiring this to be conducted in a port located on the European mainland. Two conditions have to be satisfied. The first is that the transit from the French archipelago to Europe has to be direct and, second, that customs rates should not be lower than those of the EU. This allows for taxes to be collected in the bay of Saint-Pierre. In this sense, the French territory can be considered as an outpost of Europe in North America. Customs clearance in Saint-Pierre-et-Miquelon provides a good opportunity for freighters to cut both customs and insurance costs as the distance between the starting point and the customs gate of Europe is dramatically reduced. As another advantage for freighters, the six-hour waiting time for ships carrying out these formalities was much shorter in Saint-Pierre than in the main European ports. Between November 1997 and July 1999, this practice enabled the archipelago to earn about three and a half million Euros per year<sup>13</sup> until it was interrupted after a complaint from the European Anti Fraud Office but there is still a possibility of resumption.

So, even in very dissimilar ways, there is a common point between the island border situations of Jersey and Saint-Pierre-et-Miquelon concerning their tradition of integration in extended spatial systems. Another component of their relational pattern is the lack of concern with mainland areas in their immediate vicinity. For numerous decades there has been little if any trade between Jersey and Normandy and, in the case of Saint-Pierre-et-Miquelon, the troubled context of conflicts over Canada's appropriation of marine areas has not fostered the development of significant relationships. Despite these factors and histories, a number of recent tendencies suggest that the islands are experiencing a rediscovery of their vicinities and shared histories and the common roots that they had previously seemed to have forgotten.

### III. Cultural resurgences

#### a. Jersey's quest for a separate identity

While recent economic trends have accelerated the Anglicisation of Jersey, the phenomenon derives from those continuing concerns over the island's security that led the British to establish and maintain a garrison there, whose military and civilian support staff were predominantly recruited from the British mainland. During the 19th Century, this can be considered as an epiphenomenon that did not really undermine the prominence of the Norman culture within the island society and, more generally, the use of French in the public sphere.

Nevertheless business and trade restrictions concerning commerce with adjacent areas of France, as well as outright bans imposed by the United Kingdom, served to strengthen links between the island and Great Britain and ensured a relatively low level of trade with France. This imbalance was substantially exacerbated as a result of the development of the financial industry in the years following the conclusion of the Second World War. The increase of employment opportunities on the island attracted workers from various parts of Great Britain. This can be explained by the fact that, contrary to the agricultural sector, where recruitment was mainly carried out through the hiring of a French workforce (Monteil, 2005), the development of the finance industry is closely bound to synergies between the offshore jurisdiction and the global financial hub of London. As a result, the proportion of people born in France and living in Jersey has dramatically reduced from 10% at the end of the 19th Century to 1% at the end of the

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20th. At the same time, the proportion of British-born grew from 10% to 37%<sup>14</sup>. As Figure 4 indicates, the main foreign component of the population is now not French but rather comprises a Portuguese community (predominantly composed of migrants from the island of Madeira) who initially arrived in the 1960s to replace the Frenchmen formerly employed in farming and who eventually settled and progressively occupied jobs in other economic sectors<sup>15</sup>.

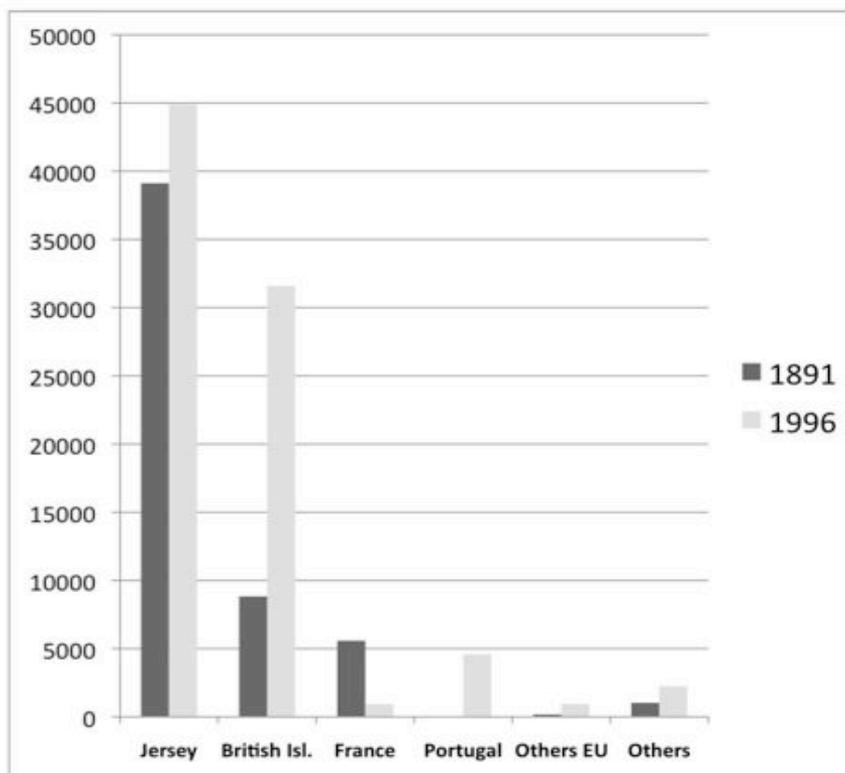


Figure 4: Birthplaces of Jersey residents in 1891 and 1996

The tendencies described above have resulted in the declining influence of the British Norman cultural substratum whose main components were the perennity of a multi-secular political system (which was transformed in 2005); the use of the French language in official deeds; and, more generally, the use by a significant part of the population of both the French language and the Jersey Norman dialect known as Jèrriais. Now only 3% of the population occasionally speak the dialect and, according to the census carried on in 2001<sup>16</sup>, only 113 people identify Jèrriais as their mother tongue. Nevertheless, there is a willingness to protect French and Norman heritages. This goal is expressed in the enhancement of present Norman dialect place names, which is delivered in various ways, such as in advertising for Jersey milk (Figure 5a), billboards (Figure 5b), the self promotion of the language (Figure 5c) and welcome message for the benefit of visitors (Figure 5d).

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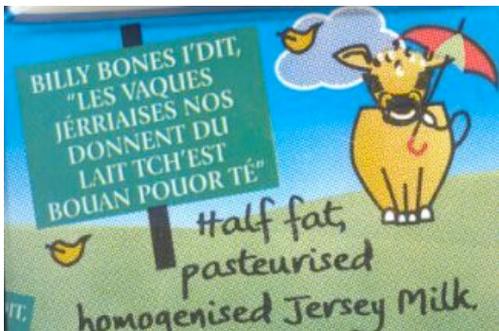


Figure 5a

“Billy Bones dit: Les vaches jersiaises donnent du lait qui est bon pour ta santé”

“Billy Bones says: Jersey cows give a good milk for your health”

Figure 5b

“Le château de Grosnez”

“Grosnez Castle”



Figure 5c

“Moi J'aime parler le Jèrriais !”

“ I like to speak Jèrriais”



Figure 5d

“Soyez les bienvenus à Jersey“

“Welcome to Jersey“

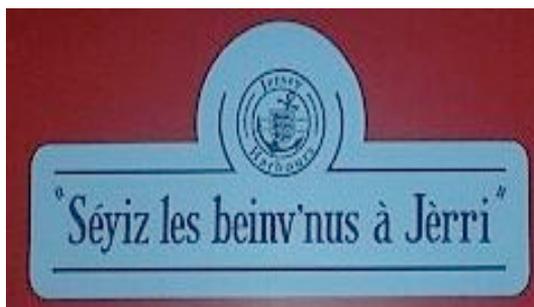


Figure 5 (a-d): Various messages delivered in Jèrriais

One significant manifestation of this linguistic initiative occurred in 2005 when Queen Elizabeth II visited at the time of the ceremonies for the 60th Anniversary of the liberation of the island from the German occupation and formally opened a square named *La Pièche de L'Avnin*<sup>17</sup>. Confirmation of this tendency occurred in 2007, when Jersey authorities decided that all new streets and roads must be named and signed in French or Jèrriais. It is, to some extent, a paradox to read messages written in old Norman dialect in such a busy and global place as Jersey. The recourse to the barely alive language can be considered as an instrument to promote the concept of separate identity which the authorities would like to put forward, a symbolic counterbalance to a global drift – illustrating two seemingly diametrically opposed characteristics of an island community subjected to developments that challenge its social balance.

Beyond such symbolism, some associations and political operations have endeavoured to pursue their aims through both cultural exchanges with the neighbouring mainland and by offering lessons in Jèrriais within the school context<sup>18</sup>. With regard to education, these occur under the auspices of L'Office du Jèrriais, which is financed thanks to a partnership between the States of Jersey (more precisely through its Department of Education, Sport and Culture) and the Don Balleine Association<sup>19</sup>. L'Office du Jèrriais is entrusted with providing optional lessons upon request from public or private schools. The teaching team is composed of three full-time and eight part-time workers who generally ensure courses run on a weekly basis for the benefit of a number of pupils that hover around 200<sup>20</sup>. With regard to cultural exchanges, Jèrriais provides a tenuous cultural tie with nearby Normandy. To that end, the Congrès des Parlers Normands et Jèrriais is an association which aims to promote actions related to Norman heritage. Since 1996, there has been an annual meeting, gathering people involved in the Norman Heritage whether it is in Jersey, Guernsey or Normandy. During its festivities, people can enjoy and share their inclination for speaking Norman dialects, for dancing Norman dances, for singing and for performing Norman songs.

The issue of promoting minority language has led to cooperation between various British regions, since Wales has offered its assistance and other minority-language areas (among them, Guernsey and the Isle of Man, and the Australian external territory of Norfolk Island) have been assisted by the Office<sup>21</sup>. A significant further step for the development Jèrriais education would be the establishment of a General Certificate of Secondary Education (GCSE), which is the main means of assessing pupils' attainment at the end of compulsory secondary education in the United Kingdom. But despite the inclusion of Jèrriais in process of ratification of the European Charter for minority

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languages, attempts to get a GCSE established are still ongoing, complicated by uncertainties about the future of GCSE in the United Kingdom<sup>22</sup>.



Figure 6: French Language inscribed on the 19th Century St. Brelade's parish hall, in the southwest of the island. (Photograph by the author)

While the island's prosperity militates against any sense of economic crisis, its near exclusive relationship with the United Kingdom with regard to supplies and services leads to questions about the high cost of living. A greater openness to business partners from the mainland is part of this development. The rediscovery and reactivation of cultural links between close neighbours also has its place in this process and official speeches and statements sometimes draw upon these connections.

### *b. The tightening of links between Saint-Pierre-et-Miquelon and Canada*

From persistent disputes concerning fisheries and territorial delimitations to provisions of services, including cultural exchanges; the connections between Saint-Pierre-et-Miquelon and Canada taken as a whole are characterised by ambivalence. Paradoxically, the crisis that followed the EEZ rulings of 1992 - which deprived the French territory of its only source of internal income - encouraged it to develop closer links with Canada. This tendency was accelerated with the signature of agreements concerning regional cooperation between the Canadian and French governments in 1994. The association is based on a subtle dialectics of proximity/alterity. Newfoundland represents the pragmatic element via the benefits of its spatial proximity.

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For instance, The General Hospital in St John's attends to several hundred patients from Saint-Pierre-et-Miquelon each year. From a more general point of view, the capital of the Province of Newfoundland and Labrador is also the favourite urban destination for the inhabitants of the archipelago. This can be explained by the relatively low cost of flights to St. Johns, which favourably compare to those to the closest French-speaking cities and mainland areas (see below).

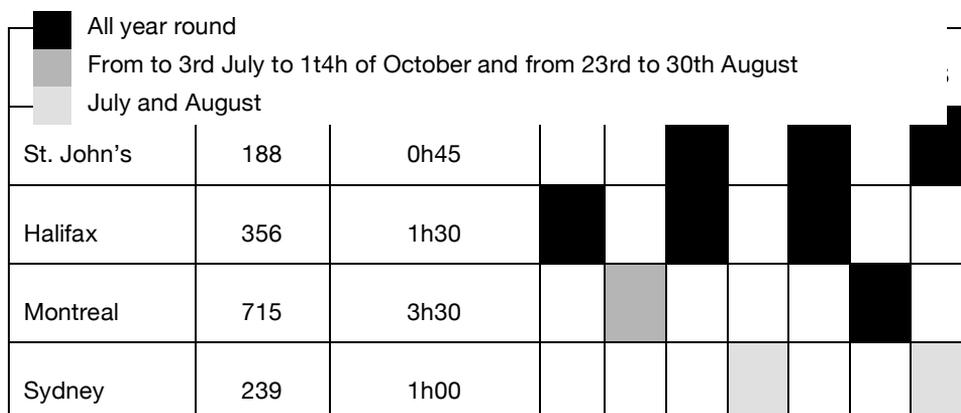


Figure 7: Weekly air routes from Saint-Pierre-et-Miquelon (2008)

In relation to Newfoundland and Labrador, the development of the Francoforum has been significant, exploiting cultural (and more precisely, linguistic) alterity, with particular regard to the fact that Newfoundland has the highest proportion of English-speakers of any Canadian province. Founded in 1992, this Institute, located on Saint-Pierre, teaches French to people - mainly schoolchildren, students, federal and provincial civil servants - who come almost exclusively from the neighbouring province. Compared with French training institutes situated in Canada, the French territory can boast about providing the learning of the 'French from France'. Beyond the links initiated by the islands' proximity to the Burin Peninsula, in the south east of Newfoundland - including numerous marriages between French men and Newfoundland women that have occurred - the phenomenon of cultural resurgence has mainly manifested itself in Saint-Pierre-et-Miquelon through the assertion of the Acadian roots of a part of its population.

The particular history of the French North American settlement of Acadia<sup>23</sup> has been widely studied (see Daigle, 1993; Roy 1981). The name Acadia referred to French colonies scattered throughout New Brunswick, Nova Scotia and Prince Edward Island. Led by Samuel de Champlain, the first French expeditionary mission from France landed on Sainte Croix Island off the north shore of the Bay of Fundy in 1604 establishing what has been claimed as the first (all year round) European colony in North America. Despite various vicissitudes, the initial settlement expanded until the mid-18th Century, when over 8,000 Acadians were deported to southern coastal areas of the (present day) United States or France by the British, who had come to dominate the area since the Treaty of Utrecht (1713). The British action followed most Acadians' refusal to pledge allegiance to the King of England during the run-up to the North American theatre of conflict often referred to as the 'French and Indian War' (against the

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British) that broke out in 1754. As a result of their non-allegiance, the British embarked upon a mass deportation known as Le Grand Dérangement in 1755<sup>24</sup>.

The role played by the North American French archipelago in that history has often been overlooked. In the aftermath of the French defeat in the American episode of the Seven Year War, the islands were a refuge for a significant number of Acadian people. Moreover, about 250 people decided to settle as close as possible to their former homelands. Saint-Pierre-et-Miquelon and, especially, the remote, uninhabited and barren site of Miquelon (Figure 8), was the closest option (Ribault, 1962). These Acadian peasants turned into fishermen and had to live in very harsh conditions. Now, in the early 21st Century, their descendants comprise a component of the population that is increasingly concerned with its communal past. They have recently exhumed this history in order to develop associations with their Canadian neighbours in a more positive context than negative engagements concerning maritime appropriation disputes or through the necessity of services supply. Given the local economic crisis, this rediscovery has led to practical developments in various fields.

Perhaps the most significant example can be found in the education sector, in so far as the New Brunswick Government has agreed to charge students from Saint-Pierre-et-Miquelon the same amount of fees as their own students. With the same approach, scholarships granted by the authorities of the French archipelago are not only available for studies in France. They can also receive a grant to study at either Moncton University or New Brunswick colleges. Moncton, the capital of the Acadian revival, plays a major role in relationships between Saint-Pierre-et-Miquelon and Canada. It is the most important French-speaking city of Atlantic Canada as well as the base of the National Acadian Society. Saint-Pierre-et-Miquelon has opened an office there and the city is also the location of the French consulate for the whole of Atlantic Canada.

The symbolic aspect plays an important role in this process of energising historical ties, notably through the practice of commemoration. For the people involved in this kind of event, beyond the recognised 'duty of memory', commemorations represent the beginning of cooperation in training and cultural fields and eventually for economic purposes. The history of French North America was recently foregrounded in 2004, at the time of the 400th anniversary of the first French settlement in North America, as well as at the time of the 250th anniversary of the *Grand Dérangement* in 2005. Commemorations can be considered as a practice of memory regarding time. But memory is also connected with space due to monuments, memorials or steles (upright stone memorials) located in special places that have been chosen for both historical and symbolic values. As with the Acadian community of Saint-Pierre-et-Miquelon, the purpose of taking account of the past is extremely significant, considering the fact that the authorities would like to promote the whole island of Miquelon as a memorial dedicated to the Acadian identity. The mayor of Miquelon, who is now a Member of the French Parliament, spoke about this project in 2001:

*There are many Acadian brothers who are unaware of our existence. We wish to share with them our places of memory that comprise the church of Miquelon, the cemetery where Jacques Vigneau, Marguerite Bourg, Louis Béliveau, Louis Blaquièrre and so many others are buried, La Roche à Biche, which is the site of the first Acadian settlement... and, above all, a village of 700 inhabitants who have in spite of modernisation, preserved a similar way of life to their ancestors.*<sup>25</sup> (author's translation)

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In November 2007 this willingness was materialised with the unveiling of the Acadian memorial of Miquelon.



Figure 8: The village of Miquelon (Photograph by Christophe Detcheverry)

In other contexts, the link between culture and economy is also raised with regard to relationships with Amerindian communities such as the Mi'kmaqs of Newfoundland. Many inhabitants of the French archipelago emphasise the fact that they have Amerindian components in their ancestry. An illustration of this common perception can be found, for example, in a speech by the Chief of a Mi'Kmak community who stressed during his visit to Saint-Pierre that, "it was necessary to connect the economic links in a cultural and historic context"<sup>26</sup>.

## Conclusion

In different ways, Jersey's and Saint-Pierre-et-Miquelon's cases are significant for the understanding of island-borders. Even if we acknowledge a temporal gap between them, it can be clearly understood that their relational pattern was (in the case of Saint-Pierre-et-Miquelon) and *is* still (with regard to Jersey) characterised by both an openness and connectivity to distant regions and a relative lack of concern for their immediate neighbours. This asymmetry can be explained by the economic hegemony formerly exercised by the fishing industry in Saint-Pierre-et-Miquelon by that of the finance industry that currently dominates Jersey's economy. In these two examples, prosperity, related to the integration in global-scale networks, has largely diverted the island territories away from their neighbourhoods, except when they needed to attract a low-skilled workforce (for the agricultural sector in Jersey, and for domestic service jobs in Saint-Pierre-et-Miquelon).

## **Fleury: Jersey and Saint-Pierre-et-Miquelon**

The islands profiled in this article hardly have a monopoly on the vulnerability arising from reliance on single economic operations; indeed small island territories in general are particularly subject to this phenomenon. Economic stresses that occur as a result of this can lead to a reappraisal of regional linkages and resultant social and/or policy re-orientations. That is particularly the case with Saint-Pierre-et-Miquelon. Two decades after the collapse of the fishing industry, the territory is still in search of a self-sufficiency and collective self-respect that would enable it to reduce its near-total dependence on financial transfers from metropolitan France. In this arduous quest, Canada - despite its obstinate opposition on issues of territorial delimitation on the sea around the French archipelago - clearly represents a multifaceted resource in various contexts, such as health, training and supply. A similar re-orientation may occur in the future with regard to Jersey, because of uncertainties in the future of the financial industry in territories considered as tax havens. On the island, there is a groundswell of opinion that the time has come to explore the possibilities of cooperation with a continental neighbour which have until now been largely neglected. Within this realignment and rebalancing in favour of connections with locational neighbourhood, cultural aspects represent a key element of official policies and statements. In Jersey, as in Saint-Pierre-et-Miquelon, declarations of intent often stress the profit that could arise from linking culture with economy, the past with the future, the memory with the project and the symbolic with the concrete within development strategies seen as alternatives to patterns related to a global and hegemonic activity.

In Saint-Pierre-et-Miquelon, it is possible to identify a common history with Acadians and Amerindians and also Newfoundlanders, (particularly through family links generated by the many marriages with young Newfoundland women relocating to work on the archipelago). In Jersey, the promotion of Jèrriais, on the one hand, and the desire to develop economic and cultural relations with France, on the other; contribute to the affirmation of a separate identity. It is thereby possible to consider that these two cases are at different levels of the same pattern which appears to be reaching maturity in Saint-Pierre-et-Miquelon, where the socio-economic situation requires action, and to be anticipated in Jersey, where it is still at an intentional stage.

### **Endnotes**

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<sup>1</sup> Including the Départements d'Outre-Mer (DOM) – Guadeloupe, Guyane, Martinique and Réunion – whose status within the French Republic is equal to any metropolitan *Département*. Regarding the European Union, the DOM are classified as Ultra Peripheral Regions (UPR) together with the Azores and Madeira (Portugal) and the Canaries (Spain). EU rules fully apply even if the Treaty of Amsterdam (art. 299§2) recognises the specific constraints – remoteness, insularity – that they are subjected to.

UPR are distinct from the twenty-one Overseas Countries and Territories (OCT) that depend constitutionally on four of the European Union Member States. The OCT comprise Greenland (Denmark), French Polynesia, Mayotte, New Caledonia, Saint-Pierre-and-Miquelon, Terres Antarctiques et Australes Françaises, Wallis and Futuna (France), Aruba, Netherlands Antilles (Netherlands), Anguilla, Bermuda, British Antarctic Territory, British Virgin Islands, British Indian Ocean Territory, Cayman Islands, Falkland Islands, Montserrat, Pitcairn, South Georgia and South Sandwich Islands, St Helena, Turks and Caicos Islands (United Kingdom).

These territories do not form part of EU. Accordingly, Community law does not apply directly to them but they benefit from associate status conferred on them by the Treaty of Rome.

<sup>2</sup> Source: <http://www.thisisjersey.com> - accessed October 2008.

<sup>3</sup> Source : [http://www.jerseyfsc.org/the\\_commission/legislation/index.asp](http://www.jerseyfsc.org/the_commission/legislation/index.asp) - accessed October 2008.

<sup>4</sup> In the context of the financial crisis on Autumn 2008, the severe criticism of tax havens from the French Prime Minister François Fillon in an address to Parliament on October 14 is the most recent example of this recurrent rhetoric (see <http://www.assemblee-nationale.fr/13/cri/2008-2009>).

<sup>5</sup> *The Observer*, 22th September 1999: 19 (author/article details unknown).

<sup>6</sup> See the OECD mission statement archived online at [http://www.oecd.org/pages/0,3417,en\\_36734052\\_36734103\\_1\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/pages/0,3417,en_36734052_36734103_1_1_1_1_1,00.html) - accessed October 2008.

<sup>7</sup> <http://www.oecd.org>; also see: [http://www.oecd.org/document/21/0,3343,en\\_2649\\_34859\\_2017813\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/21/0,3343,en_2649_34859_2017813_1_1_1_1,00.html) - accessed October 2008

<sup>8</sup> Press release material archived online at: <http://www.securitizability.com/site/nnn/nnnogierboxallnews.shtml> - accessed October 2008.

<sup>9</sup> FATF statement, online at: <http://www.fatf-gafi.org> - accessed October 2008.

<sup>10</sup> Statement published in <http://www.legalweek.com> - accessed October 2008.

<sup>11</sup> Unattributed, online at: <http://www.offshore-manual.com> - accessed October 2008.

<sup>12</sup> Rules of Origin are the laws and regulations that determine the origin of goods.

<sup>13</sup> <http://www.senat.fr/rap/r05-152/r05-15223.html>

<sup>14</sup> Jersey Statistics Unit, Jersey Census 2001, <http://www.gov.js/statistics>

<sup>15</sup> The Portuguese have been mainly replaced in the Jersey farms by workers coming from Poland.

<sup>16</sup> Jersey Statistics Unit, Jersey Census 2001, <http://www.gov.js/statistics>

<sup>17</sup> "La place de l'Avenir " in French, "Future Square" in English.

<sup>18</sup> For further information about Jèrriais see <http://members.societe-jersiaise.org>

<sup>19</sup> The Don Balleine – from the name of Arthur Balleine who leave a legacy for that purpose in 1943 - is an association which aims to promote the practice of Jèrriais.

<sup>20</sup> Source: <http://www.statesassembly.gov.je/documents/reports/9507-26642-982005.htm> - accessed October 2008.

<sup>21</sup> Ibid.

<sup>22</sup> Work on the qualification was postponed as a result of UK Government talks on the future of the 14 -19 curriculum.

<sup>23</sup> The name Acadia referred to French colonies scattered throughout south-eastern Quebec, Nova Scotia, New Brunswick and Prince Edward Island. The first expedition

coming from France landed in 1604 on Sainte Croix Island off the north shore of the Bay of Fundy. It was the first European colony in North America.

<sup>24</sup> 'Grand Dérangement' can be translated as 'Great Upheaval' or 'Great Disturbance'.

<sup>25</sup> Cutting from *L'Écho des Caps Hebdo* (a weekly newspaper published in Saint-Pierre) - 14-20<sup>th</sup> May 2005.

<sup>26</sup> Cutting from *L'Écho des Caps Hebdo* (a weekly newspaper published in Saint-Pierre) 27<sup>th</sup> February – 4<sup>th</sup> March 2004.

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