

Sustainable Tourism for Development on Fogo Island

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**“A culture survives when it has enough confidence in its past
and enough say in its future to maintain its spirit and essence
through all the changes it will inevitably undergo.”**

- Wade Davis, ethnographer



It's Not About Money

"Development? It's not about money. If you start with the economics, you're already getting it wrong." Zita Cobb is discussing the innovative revitalization of Fogo Island, a collection of fishing outposts, set lightly on a chunk of ancient rock off the north coast of Newfoundland.

Luxury travelers and architecture aficionados know of Fogo Island Inn. The striking, almost shocking structure rises like an iceberg beside the ocean, luminous white except when kissed pink by dawn or sunset. In the four years since it opened, its unforgettable image has graced countless tourism and design publications, along with tributes to its charming guest rooms, excellent table, and delightful hospitality.

The Inn is but one of the artistic, cultural and business concerns owned or sponsored by Shorefast, a registered Canadian charity. Shorefast's undertakings comprise an audacious experiment that is breaking new ground in the development world. Zita started the charity

with her brothers Tony and Alan when she returned to her home island following a career in technology, with more money than she needed to live and a mission to strengthen the struggling community. Eighty percent of the initial capital for Shorefast's projects came from Zita and other private donors; the remainder from government grants. Today, Shorefast initiatives are supported by earnings from its social businesses, and augmented by charitable donations and grants.

So if it's not about the money, how *does* Shorefast approach development? Says Zita, "We exist in relationship to the whole: the whole planet, the whole of humanity, the whole of existence. The purpose of development is to help people belong to the world in a way that reflects their specificity, honours their unique ways of knowing, and fosters resiliency."

In the Shorefast experiment, business serves social ends. "Our mission is to build cultural and economic resilience on Fogo Island. We believe in a world where all business is social business. Business is a system, a social and economic instrument that can be used to support place and shape relationships." So the Foundation creates and invests in opportunities that build 'sacred' social, cultural and natural capital as well as the more traditional forms of financial and economic capital. Its portfolio of interconnected activities includes both social businesses and charitable programs.

Social businesses

Fogo Island Inn. A 29 room luxury inn created to express traditional knowledge and hospitality in new ways, employ Fogo Islanders, attract tourists from around the globe, and serve as an economic engine for the island.

Fogo Island Shop. Begun as a collaboration between artists and designers 'from away' and skilled local craftspeople to create all the furnishings for the Inn, the shop now ships its high-quality handmade pieces around the world.

Fogo Island Fish. Purchases top quality cod caught using the traditional hand-line fishing method, processes it locally, and distributes it to selected chefs in high-end, ethically-focused restaurants.

Charitable programs

Fogo Island Arts. A residency-based contemporary art program open to artists, designers, writers, film-makers, musicians, etc., and now one of the most sought after artist residency programs in the world.

New Ocean Ethic. Twelve major initiatives – including a lecture series, implementation of cod potting as a fishing method, citizen science and other research projects – aimed at creating sustainable and respectful relationships with our oceans.

Geology at the Edge. Canada's first community based geology program, hosting geologists to research the Island's unique features, conduct walks, and give public presentations.

Academic Residencies. Natural and social scientists visit Fogo Island for several weeks at a time to conduct site-specific research across a wide range of natural and cultural fields,

interact with local people and share their knowledge.

Microlending. Modeled after the Grameen Bank, the Shorefast Business Assistance Fund provides micro-loans 'on friendly terms' to entrepreneurs starting small businesses on the Island.

Boatbuilding. Celebrates this essential part of the Island's heritage through a boat-building program with the local high school, an annual punt race, a collection of traditional wooden boats, and the current restoration of a traditional fishing premises.

Vernacular Architecture. Restoration of heritage homes, churches and public buildings to preserve the island's distinct vernacular architecture and keep the buildings relevant through continued use.

Economic Development Partnership. A joint venture among Shorefast, the Fogo Island Cooperative Society Limited, and the Town of Fogo Island, to encourage public and private collaboration in support of small and medium-sized businesses, and foster a shared social and economic vision.

The portfolio reveals several recurring themes. The stewardship and celebration of local resources, culture, knowledge and effort. Respecting the past, while looking to the future. And inviting folks 'from away' -- artists, designers, scientists, researchers, travelers -- to come and study, create, enjoy and share the unique place that is Fogo Island.

So what is the role of tourism, and how does sustainable tourism support this holistic development program? Broadly, Zita explains, "tourism brings awareness to cultures that have been left behind. Often these are places where people have a particular and profound engagement with the natural world, bringing with it very specific ways of knowing. Tourism is a way for all of us to learn from these people, and preserve the ways of knowing for the good of all humanity." What makes it sustainable is when local culture, knowledge, social relationships, natural resources, and general wellbeing are strengthened rather than undermined by the arrival of tourists.

Let's examine the dance of development and tourism in two of Shorefast's social businesses.

**“Avoiding the scourge of unemployment
may have less to do with chasing after growth, and
more to do with building an economy of care, craft and culture”**
- Tim Jackson, economist

Fogo Island Inn: The love of a stranger

Designed by renowned architect Todd Saunders, originally from Newfoundland, the Inn's spare rectangular segments and supporting stilts (known as 'shores') take the construction of local homes and fishing stages, and reimagine them on a grand scale. Inside, the marriage of local craftsmanship traditions and leading edge international design, continues. Each

piece of furniture was designed based on traditional shapes and materials, to delight the modern eye and physique. "We're contemporary rural people. We don't live in the 18th century! Why can't we have access to great design?" Most items were then hand-made locally, leveraging traditional skills of boat-building, wood-working, quilting and knitting. Through these physical artifacts, building the Inn did not just provide jobs; it dignified people with skilled, beautiful, meaningful work. And it provided opportunities for young Fogo Islanders to learn traditional skills.



Tourists are initially drawn to visit Fogo Island by the design of the Inn and the hand-crafted everything inside. Zita makes no excuses. "We know how to work with the gestures that signal luxury – like beautiful design and top quality furnishing – to get people interested in visiting. Once they're here, we give them what really matters!"

And what is that? Visitors agree that the awe of first seeing the Inn, the pleasure of sinking into a Bertha chair, and the delight in learning who exactly made the quilt on their bed, all pale beside the cheerful kindness of the staff. Community hosts show guests around the island. One might pause for some impromptu berry picking. Another may take you on a hike up Brimstone Head, one of the four corners of the Flat Earth. A third brings you to his brother's place for a snack of fresh-caught fish and a dram of screech. Visitors are greeted by name at mealtimes, and stopped for a chat in the lobby. This is not the slickly polished service that sophisticated tourists expect at luxury hotels. Though the service is excellent, it is the warmth that shines through. It embodies the saying that "genuine hospitality entails nothing less than the love of a stranger". Turns out this deep hospitality is another Fogo Island tradition, a way of being forged over generations in an isolated community under the harshest of conditions.

Also at play is pride of ownership. "Fogo Island Inn is a 100% social business: it was built using philanthropic funds and all surpluses are returned to Shorefast for reinvestment in the

Community of Fogo Island. There are no investors seeking a return, and there is no private gain." So each member of the community is a beneficial owner of the Inn. Most travelers have experienced the uncomfortable divide in some places between relatively wealthy tourists and impoverished or exploited local people. But at Fogo Island Inn, locals and tourists alike mix in the lobby. Community members are invited to use the library, and the art gallery and movie theater often host events that are open to everyone. When the Inn opened, each Fogo Islander was invited to spend a night at the Inn for free. As a result, tourists feel genuinely welcomed by the locals. In turn, they become friends and advocates for the Inn and the island when they return home.

With word spreading, the Inn's peak tourist season (>90% occupancy) has expanded from July-August two years ago to May-October today, and an increasing number of B&B type accommodations have opened elsewhere on the island. Is this tourism sustainable? From an environmental perspective, sustainability has been designed into the Inn. It has its own primary waste treatment facility — rare in Newfoundland communities — and a solar panel system that heats rooms and water for most of the year. From a social perspective, the Inn actively spreads the benefits of tourism throughout the community. Last year, the Inn was responsible for 153 jobs, paying well over market rate wages. It engages freelancers and local businesses to guide tours and offer experiences to guests. Most of the food served at the Inn comes from local growers and fishers, with generous pricing for high quality produce. From a cultural perspective, all of the activities offered to visitors are specific and relevant to the island people and place — e.g., fishing, hiking, berry picking, and craft workshops.

A number of factors also conspire to limit the numbers of tourists visiting Fogo Island. The Inn has only 29 rooms, and there are no chain hotels. Other B&Bs and guest accommodations are small in scale. Access from Gander, the nearest major town, entails either a 90 minute drive and 45 minute ferry ride, or a helicopter. And with rooms priced at over \$1,000 per night, the Inn is beyond the means of many travelers. The combination of limited numbers, thoughtful programming, wealth distribution, and environmental stewardship ensure that tourism to the island is high quality and sustainable.

**"When we must pay the true price for the depletion of nature's gifts,
materials will become more precious to us, and economic logic will reinforce,
not contradict, our heart's desire to treat the world with reverence and,
when we receive nature's gifts, to use them well."
— Charles Eisenstein, economist and philosopher**

Fogo Island Fish: People of the fish

All Newfoundland stories begin with cod. From its earliest European habitation 400 years ago, to its coastal pattern of settlement, social life, crafts, songs, economic fortunes and population swings — Fogo Island's story has been entwined with that of the fish stocks and

markets. When the cod stocks collapsed after decades of overfishing and the 1992 moratorium devastated the Newfoundland and Fogo Island economies, more than one third of the population left in search of work. The fishers that remained formed the Fogo Island Cooperative Society, and turned their efforts to harvesting crab and shrimp, whose populations expanded in the absence of cod. But the Island's population continued to drop, as young people moved away for lack of opportunity. Today, cod is making a tentative recovery, and a stewardship fishery continues with slowly increasing quotas. But the *total spawning biomass* in these waters is now only 330,000 tons, compared to the 800,000 tons *caught per year* in the 1960s.



Shorefast aimed to create a more diverse, stable Fogo Island economy, buffered in part from the vagaries of the fishery. But it deeply understood this beating heart of the Island's life and culture. In 2015 Tony Cobb and Janice Thompson founded Fogo Island Fish, under the Shorefast umbrella. Says Tony, "we're reinventing the fish business to serve community. We buy only the best quality, traditionally hand-lined cod. We pay fishers more than twice the market rate. We handle, clean and flash-freeze it in ways that preserve the extraordinary quality. We ship it to chefs who want top-quality for their restaurants, and we know they have not seen a product like this in the marketplace before. In an industry that has always focused on quantity and keeping prices low, this artisanal approach for top quality wild cod, and a fair price for the fishers, is revolutionary."

One key factor behind the quality of the fish is that it is only caught late in the season, from September onward. A summer of feasting on capelin makes their flesh rich and flakey. Between July and October, the cod gain 20-25% in weight. As quotas are weight-based, this late-season fishing means that fewer fish are taken from the water. A second way that quality and sustainability go together is that hand lining — catching the cod one at a time, one line, one hook — allows them to be bled, gutted and iced immediately on-board the boat, produces no by-catch, and has no impact on the surrounding ecosystem.

Like the Inn, Fogo Island Fish spreads the benefits around. Jan Thompson says, “year one, we purchased fish from 33 local fishers. Year two, we were able to expand the program to 50 fishers. This year our target is to purchase from all the eligible fishers on the island. We want to make it possible for anyone who wants to sell us their fish to be in our program. Yes, it’s more work than just buying from a few people. Tony is on the dock every day, inspecting the catch. But we’d rather take fewer fish from more people than the other way round. It’s fair, and it encourages more fishers to hand-line their fish.”

Tony and Jan see their mission as the protection of sacred capital. “We care for the product, the provenance, and how it’s processed. We honour each fish taken by catching fewer, and valuing them more. We use the bits that used to be thrown away — cheeks and tongues, liver and britches. We process locally, so jobs and skills remain on the island. Many students’ first job is at the processing plant, where they learn to cut out cheeks and tongues. We hope to give more young people the chance to connect directly to the economy through fishing.”

So how does tourism fit in to this holistic development picture? First, says Tony, fishing drives the tourism. “It’s impossible to overstate the importance of cod fishing to every aspect of our culture. It’s who we are — people of the fish. If we didn’t have the fishing economy, we couldn’t have the Inn. People only come here to connect with the underlying community, and it would not exist without the fish.”

Tourism in turn fuels the demand for their fish. Jan explains, “people come to the Inn, taste great cod for the first time and hear our story. Then go home and ask for it at their favourite restaurants.” It also works the other way, with diners tasting Fogo Island cod and becoming aware of the place.

Jan and Tony invite every chef who serves their fish to come and visit the Island, and go out on the water with their fishers. They want chefs to care about the ‘merroir’ and provenance of seafood as much as they do the terroir and growing conditions of the vegetables they serve. In addition to increasing demand for Fogo Island Fish™, this also means people are asking tough questions about fishing practices and ocean ecology. “Together, we have a voice at the policy table.”

Stewardship, Fairness and Benefit Tracking

Tracing the interplay of sustainable tourism and holistic development on Fogo Island, three themes stand out. First, from the deep connection to this specific place and people, comes an abiding commitment to the stewardship of ‘sacred’ social, cultural and environmental capital. Yes, Shorefast’s businesses drive the development of economic opportunities. But they are equally focused on preserving equitable, supportive social relationships, and strengthening the local culture. And they are designed to interact lightly with the natural environment.

Second, fairness — particularly to local people — is built in to every aspect of the endeavor. Opportunities are deliberately shared throughout the community. Wages and payments for fish, produce, and crafted items are all well above market rates. Decisions are routinely taken to include more people versus fewer.

Third, each of the Shorefast businesses tracks the distribution of financial benefits using innovative ‘economic nutrition’ labels. “Where does the money belong?”, asks Zita. “To the extent possible, it belongs right here on Fogo Island, in constant circulation to benefit the entire community.” The labels break down the cost of your stay at the Inn, your Fogo Island cod, your Punt chair, into compensation (i.e., employment), various materials costs, operations and administration, sales and marketing, and contribution to the Shorefast Foundation to be reinvested in the community. They also show the geographic distribution of economic benefits. Where something cannot be sourced on the Island, the next stop is Newfoundland. Then Canada. Then the rest of the world. For example, 50 percent of your payment for a night at the Inn goes toward compensation. Sixty-three percent of the money stays on Fogo Island to benefit local people and businesses, and only 7 percent leaves Canada.

The last word goes to Fergus Foley, a community host at the Inn, fishing industry veteran, and tenth generation Fogo Islander. “Every family on the island has been touched by the work of Shorefast, and the visitors who come here. Every family has seen the benefits.”

**“Keep the most important thing
the most important thing.”**

— Zita Cobb, Founder and CEO, Shorefast Foundation

Additional resources:

- Shorefast website <https://shorefast.org/>
- Fogo Island Inn website <http://www.fogoislandinn.ca/>
- Hand. Line. Cod. documentary https://www.nfb.ca/film/hand_line_cod/
- Strange and Familiar documentary (link to trailer) <https://vimeo.com/146408500>
- Zita Cobb speaking at D3 2014, Transformation: One Community At A Time https://www.youtube.com/watch?v=jF9AmFkG_b0

This article was written by Katy Paul-Chowdhury, PhD, founder of INKorporated Business Writing. She helps organizations develop strategies, plans, and documents in support of communications, marketing and major change initiatives. She also works with smaller companies to create a wide range of materials that share their unique offerings, establish thought leadership, build relationships with potential clients, and generate sales. For more information, please see <http://inkorporatedbusinesswriting.com/> or contact katypc@mac.com