# INSTITUTE OF CURRENT WORLD AFFAIRS

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"007 in Labrador"

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Dear Peter,

I came across this story fragment in a recess of my mind reserved for half-baked ideas that won't go away. They say the Cold War is over. The balance of power is out of focus. Perhaps it is time we adjusted our sets to a new age of North American intrigue.

James Bond settled into a window seat and gazed across the tarmac at St. John's airport while the other passengers wrestled with their carry-on luqqaqe. Several middle-aged men in stiff new jeans were having trouble fitting their tubular fishing rod cases in the overhead bins. One also carried a large padded case that no doubt contained a video camera, and it would not fit under the seat ahead of him. The cheerful, booze-tinged banter going back and forth between these weekend anglers threatened to hold up the loading process, so a watchful flight attendant came to the rescue. Meanwhile, a tall, overnourished youth with bleached hair and immense hightop athletic shoes with laces that appeared expertly undone was trying to find a safe place for his portable stereo unit. Bond could not help noticing the built-in array of dual tape decks, a compact disc player, and something called "mega-bass" along with the standard complement of detachable speakers. This overgrown party animal was easily diverted from his task by two young women, each wearing fluorescent t-shirts and lycra tights. Bond figured the trio were university students heading home for the summer, as their conversation entailed repeated references to "murderous frigging exams" and preparatory parties in "the guad." A flabby, balding man in a baggy, rumpled business suit was carrying a cardboard box covered with a colorful tatoo of advertisements for live lobsters; he was obviously an executive making up for his absence from the family hearth by bringing home the bacon, so to speak. Bond hoped it wouldn't start to smell before the plane touched down in Labrador.

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Since 1925 the Institute of Current World Affairs (the Crane-Rogers Foundation) has provided long-term fellowships to enable outstanding young adults to live outside the United States and write about international areas and issues. Endowed by the late Charles R. Crane, the Institute is also supported by contributions from like-minded individuals and foundations. An attractive Air Atlantic stewardess went through the safety procedures for the DeHaviland Dash-8 after everything was sorted out and everyone was seated. She repeated the presentation in rapid-fire French. It was a holdover from the recent past, when Newfoundland was still wholly a part of officially bilingual Canada. Guebec's unilateral declaration of independence and Newfoundland's **de facto** isolation from the rest of Canada had quickly rendered dual-language services anachronistic and even inflammatory, but Air Atlantic had remained a subsidiary of Canadian International, and upper management included a bevy of honors graduates from Ottawa's Carleton University who still held to their **alma mater**'s insipid motto, "ours the task eternal." Their task was to keep the dream of a united Canada alive, notwithstanding the facts. The captain fired up the two turboprop engines, and the noise of the spinning rotor blades soon drowned out Bond's fleeting recollections of recent Canadian history.

P (M's successor, following the swift demise of N and O, both victims of an Albanian hit squad) had summoned Bond out of retirement in Barbados with an urgent and cryptic telegram: "THE ROCK UNDER SIEGE.STOP.HMG REQUESTS LICENSED ELDER STATESMAN." Bond, who had never put his mind to policy matters, and made no effort to keep up with current affairs while perfecting his golf game and sailing technique in the Caribbean, naturally mistook Newfoundland for Gibraltar. He was mildly enamored with the new monarch (anyone with a serious interest in architecture had to have an active and practical intellect) and curious about the anti-European turnabout on the part of the recently elected Social Democratic prime minister, but what of course thrilled him into action was the reference to his OO (licence to kill) status in the Service. Bond hadn't, aimed at anything livelier than clay pigeons for what seemed like ages. He packed his kit and took the first flight to London without a moment's hesitation.

Disappointment over the unexpected venue of his mission gradually turned to fascination after a few hours' immersion in the thick briefing packet P had thunked down in front of Bond the day of his arrival. Newfoundland, it turned out, had a history rich with irony and adventure. Britain's first overseas colony had once been of far greater strategic value to the Empire than Gibraltar could ever be--Bond was amazed to find out that in the 17th century Newfoundland fishing fleets accounted for more than half of Britain's national revenue, and that Elizabethan England gained a favorable balance of trade with rival Portugal and Spain because these latter Catholic states, in deference to the Pope's decrees regarding abstinence from meat on certain days of the week, were in dire need of salt cod. If the Newfoundland fisheries should be lost, warned Sir Walter Raleigh (P's research staff were always overly thorough), "it would be the greatest blow ever given to England."

This was the sort of arcane information Bond had had no patience for in his active years, but retirement seemed to have whetted his appetite for history and stimulated a capacity for general reflection. He knew that Newfoundland had ceased to be a colony in the 1930s, had joined Canada after the Second World War, and that the island's inshore and offshore fish resources had been ruinously overexploited by oversized and indiscriminate dragger fleets, some domestic, others foreign. This much he had learned from the ragged, rum-loving corps of Newfoundland expatriates that haunted the Caribbean's wharfside canteens until the wee hours of the morning. (As a group, they were much given to singing Irish-sounding medleys about "saltwater cowboys" and the girls of St. John's.) The information about Newfoundland's current state of affairs was all news to Bond, however, as it would be to almost anyone. This obscure island had been all but abandoned

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by Canadian taxpayers in the early 90s and was in desperate economic straits. Moreover, someone was intending to make matters worse by destroying Newfoundland's only viable source of revenue and foreign exchange, the giant hydroelectric complex at Churchill Falls in Labrador.

A huge cache of plastic explosives had turned up during a routine maintenance check of the dikes that controlled the supply of water to the generating station. The material was stashed in the woods near the main regulating gate up-river, at a place called Lobstick. It bore no identifying marks, but the accompanying remote-control detonating devices gave a clear indication of the unknown adversary's intent to blow away key sections of the 40-mile dike system. The saboteurs may also have planned to foul the intake channel with booby-trapped debris, or to send a charge directly into the steel and concrete penstocks that sloped steeply downward and fed directly into the massive turbine generators underground at the Churchill Falls site, so named by former Newfoundland premier Joey Smallwood in recognition of Winston's interest and investment in the project while Britain's Prime Minister in the 1950s.

Security officers working for the government-owned Churchill Falls (Labrador) Corporation had seized the explosives and the Royal Canadian Mounted Police had launched an investigation, claiming that the federal government still exercised legitimate authority in Labrador, despite the rigorous protestations by the governments of Newfoundland and Quebec, now at loggerheads with Ottawa and each other over a morass of jurisdictional disputes. Politically, the situation was a sticky mess, and so far, after a month of fussing and fuming behind the scenes--the whole thing had been kept secret--nothing in the way of further evidence had turned up. Desperate to find out who was behind the attempted sabotage, fearful that an attack may still be imminent, and distrustful of everyone involved in the confidential enquiries, Newfoundland's premier turned to P, whom he had met and befriended on a trip to southern Africa in the 1960s, for help. Enter the British Secret Service, and the summons to a graying and lonely former agent.

The mission, as P explained it to Bond in his panelled office behind the green baize door, was to find out who wanted to destroy what was left of Newfoundland's faltering economy, and why. "Your job," P said, "is to expose the criminals to international condemnation by gathering sufficient incontrovertible evidence as to their culpability and deliver it, without delay, to the Office of the Secretary General of the United Nations." Bond nearly fell off his chair. He had never heard such gobbledygook from a senior officer in all his years as a clandestine operative. He felt hopelessly behind the times. The United Nations, for pity's sake! In his day, Turtle Bay had been a place to buy secrets from bureaucrats and spend lavish amounts of Her Majesty's money on Fifth Avenue.

P continued: "Q Branch will issue you a Sony camcorder, equipped with a night-vision scope and the super-flash attachment for filming after dark. Shoot to kill."

"But Sir," Bond replied, his enthusiasm fading fast, "I am more adept with a Walther."

P was not amused. "Your plane for St. John's leaves at four o'clock this afternoon. You will be briefed by a Mr. Halloran at Hydro Place tomorrow morning, after which you will continue directly to Churchill Falls. Stay away from Goose Bay, Labrador. The place is still crawling with American

Air Force colonels and bored NATO personnel and you might be recognized. I trust you to be discreet, and I suggest you get packing."

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This part of the procedure was just like old times. For some reason, though, probably a combination of the weariness that encroaches with age and an eagerness to test his mettle again in action, Bond took his orders without further resistance. Moneypenny handed him an envelope containing airline tickets, \$1,000 in Canadian currency, and the European Community passport he had eschewed in earlier years. She gave him an insincerely stern look over the top edge of her half-frame spectacles. "Don't spend it all in one place, James." There was an atlas on her desk. She knew better than Bond himself that Labrador was in the middle of nowhere.

All of this ran through Bond's mind behind closed eyes as the plane lifted off and quickly gained altitude. He was jostled back to consciousness of his immediate surroundings by the grim-faced man sitting next to him, who had grabbed five bags of honey roasted peanuts off the tray offered by the stewardess and then dropped one in the crack between the seats. "Sorry," he mumbled, his hand buried to the wrist in cushion. Bond ignored him, and glanced upward at the attendant.

"Would you like something to drink?" she asked. Her smile seemed uncommonly genuine; Newfoundlanders had retained high spirits in spite of their chronic insecurity. Bond hesitated for a moment, remembering the excellent martinis (shaken, not stirred) he had savored on BOAC flights to Nice, Geneva, Kingston, and other far-flung dens of gentee( iniquity.

"I'll have a whiskey and ginger ale." He was under strict orders not to be overly conspicuous as a foreign visitor, so it was a choice between this strange concoction and a rum-and-Coke, which he considered too sweet to savor. Bond nodded a return apology to his peanut gobbling neighbor as he reached for the tiny bottle of Canadian Club and the plastic cup full of golden fizz. He was thankful that he had not been seated next to a talker.

Bond looked out the window, and caught a glimpse below of the Strait of Belle Isle, a stretch of water separating the island of Newfoundland from the mainland and what used to be part of Canada. The plane would soon be crossing into the airspace of a sovereign Quebec, a province-turned-country that was undergoing tests of political nerve and economic resilience almost as severe as those administered to Newfoundland by the resentful elites of "English Canada" and the impersonal forces of the world market.

He sipped his drink and began a mental review of his cover and the strange environment he would encounter after another hour of flying time. Bond's business cards, luggage tags and other paraphernalia identified him as a senior engineer (retired) for the British Newfoundland Development Corporation (BRINCO), a firm originally created by the Smallwood government to encapsulate the pool of mostly British capital that was attracted to the profit potential of hydroelectricity from the Churchill River. BRINCO no longer held shares of ownership in the operation, but no one would question Bond's professional interest; he would be granted a personal tour of the complex with no questions asked.

Bond's itinerary would be straightforward. A representative of the Churchill Falls (Labrador) Corporation who also reported directly (and in secret) to the premier's office would meet him at the airport and deliver him to his hotel. Correction: THE hotel--there was only one, company owned, in a community numbering about 850 people, 99 percent of whom worked for the

Crown corporation. (Bond would have to pretend familiarity with the Canadian lingo: both federally and provincially-owned firms and utilities are known as Crown corporations.) The following day he would play the part of a visiting engineer-cum-tourist. He would then have several days and nights to guietly get the lay of the land and see what he could find out from the RCMP without blowing his cover. Uninvited British involvement in what Canadians still considered a domestic affair would be "highly embarrassing," P had warned Bond at the outset. His presence would no doubt be noticed but not noteworthy. The community received relatively few visitors, save the small groups of salmon and char fishermen who came to Labrador each summer, but those who did come generally stayed for 3-4 days, as direct flights to St. John's were infrequent. Paying a visit to the dike where the explosives were found without arousing suspicion would be a great deal more difficult. It was 50-odd miles upriver, as the crow flies, through mosquito-infested bogs. Bond figured he would get some much-needed exercise before this job was finished, but he was certain it would not be pleasant.

What was anything but straightforward was the tangle of possible motives behind the undermining of Newfoundland's principal hydropower resource. Halloran, his contact in St. John's, had done his best to lay out the probable suspects. First and foremost were the Quebeckers. There had always been bad blood between these two culturally distinct provinces of Canada. Much of the acrimony could be attributed to a dispute over the territorial boundaries of Labrador. In what remains one of the most extensively documented cases of international law, filling thousands of pages, Bond was told, a British court ruled in favor of Newfoundland's claims. Even though Quebec Premier Rene Levesque admitted that "we lost that one" four decades later, less pragmatic nationalists never conceded the loss of territory and resources. Much more important than an invisible line dividing one vast tract of wilderness from another was the Churchill Falls project itself. Ever since the Quebec government had denied Newfoundland the right to wheel power across a corridor of Quebec territory, and a \$100million feasibility study had determined that moving electrical energy through underwater cables from the Labrador coast to the island of Newfoundland and then across the Cabot Strait would be too costly, Quebec had been in a monopsony position as the sole buyer of Churchill Falls power. In addition, all of the managerial positions and most of the lucrative supply contracts during the seven-year construction phase of the project went to Quebec-based firms. Newfoundland lacked a skilled labor force, and economics dictated that machinery and fuel would be shipped to the remote site from Montreal via boat and the rail spur connecting the iron ore mines on the western Quebec-Labrador to the St. Lawrence port of Sept-Iles. Even now, twenty-odd years after construction had ended, most of the foodstuffs, clothing, hardware, power boats, pickup trucks and snowmobiles in Churchill Falls came from Quebec.

The first power generated at the site came on stream in 1972, after protracted negotiations between many parties, including governments, banks, and a bevy of expensive intermediaries. At the time, it was the largest financial undertaking in Canadian history, and as such set the stage for to a number of so-called energy "megaprojects" to come, including the massive James Bay hydroelectric project in Quebec. In essence, an army of Bechtelled engineers managed to cover about 27,000 acres of the swampy, saucershaped Labrador plateau with a reservoir bigger than New Brunswick. Through a system of earthen dikes and regulating reservoirs, water was diverted around the 246-foot Churchill Falls (twice the height of Niagara) and into the world's largest underground power station, blasted out of granite. The project was supposed to help deliver Newfoundland from the penury of

underdevelopment and over-reliance on dwindling cod stocks. It was also intended to help Consolidated Edison liberate New Yorkers from summer heat and help meet Quebec's growing energy demands, especially in winter. What nobody who mattered at the time anticipated was the five-fold increase in world energy prices in the mid-1970s, and what it would mean to the profitability of the Churchill operation. Quebec had struck a 40-year contract with Newfoundland for the purchase of Churchill Falls power, which it would then deliver to U.S. markets and its own customers through giant, 735-kilovolt transmission lines.

"Quebec caught us by the short hairs on price back then," Halloran told Bond, "and we are legally bound to sell them our power dirt cheap until the year 2012. Meanwhile, those bastards are making billions selling it to the States."

Bond was starting to wonder where all this was leading, especially when Halloran delved into some unintelligible details about how Newfoundland kicked back at Quebec by helping to squelch a constitutional accord called Meech Lake. The whole story was starting to sink under its own weight, and Bond detected an increasing tone of prejudice getting in the way of facts, but then his host let the cat out of the bag.

"Now, after so much shit has happened, and Canada has fallen apart, a couple of crazy electrical wizards from Hydro-Quebec defect to our side and bring with them everything it takes to carry all that hydropower underwater. Plans, materials lists, engineering, the whole works. We're off the hook! We can sell direct to the Maritimes, and New England. It's all the same bloody country now anyway! Just when the Frenchies are dying to export more power to the U.S., and when the glue-sniffin' Indians are using M-16s to keep Quebec from flooding more land, we've got a way to ship all the juice the Americans can take without being hostage to Quebec. I tell ya, Jimmy-Boy, we can win this war!"

At last, Bond could discern a motive for destroying the Churchill operation with a few calculated blasts of plastique. It was plausible that Quebec's acute short-term dependence on hydropower exports to the U.S. would lead its increasingly unstable government to risk all sorts of opprobrium in order to eliminate a competitor. The American government would no doubt condemn such action in principle, and there would be calls for economic sanctions in Congress, but the country was so desperate itself for "clean" energy there was little chance that purchases from Quebec Hydro would be curtailed.

Plausible, yes, thought Bond, but not convincing. Taking all that he'd been told into account, it was just too easy to point an accusing finger at Guebec. He wondered what Andrew MacPherson, the Mountie he would meet sooner or later in Churchill Falls, might offer in the way of alternatives, since Halloran had lacked the imagination to do so himself. It occurred to Bond that since the Americans were hungry for cheap power, and had always been looking for good buys up North (they had got one, in effect, in the energy provisions of the 1988 trade agreement with Canada), then it was conceivable that the U.S. might try something sinister in order to scare the Newfoundland government into selling the Churchill station and even the whole of Labrador to a consortium of American-based energy companies. Blowing the dikes would be a picnic for the Navy Seals, Bond thought, and Washington's declared policy of "asymmetrical evenhandedness" vis-a-vis its northern neighbors struck him as unmitigated subterfuge. What did it mean? Surely the Mounties would suspect an American plot, even if they were

predisposed to blaming Quebec for everything that went wrong in and for Canada. Bond also wondered whether the Natives might be involved in some way. The briefing package had included a few notes on the Labrador Innu, a band of Indians that had been fighting to stop NATO jets from dive-bombing their hunting and fishing lands for years. But that was many miles downstream and it seemed awfully far-fetched. He would have to wait and see.

Bond had a crushing headache when he got off the plane--too much confusion mixed with too much whiskey and Canada Dry. A company driver was there to meet him, as promised. He tossed Bond's green cordura bag into the back of the Chevy Suburban, not noticing the stricken look on his passenger's face as Bond immediately visualized the entire Q branch staff wince in pain when the expensive camera gear landed with a dull thud. The trip into town on a gravel road was mercifully short. Actually, Churchill Falls bore a much closer resemblance to a military base than a civilian community. All the essential services--restaurant, bar, food market, clothing store, liquor outlet, post office, bank branch, hardware and gift shop, administrative offices--were contained in a single, large building, along with the hotel and an adjoining video game parlour for the kids. Also attached to the same complex was an elementary school, a gymnasium, and a curling rink. The only other structures in the town were five different types of mostly plywood housing units that all looked the same, an interdenominational chapel, a medical clinic, and a long metal building with a fresh coat of yellowish paint that turned out to be the high school.

The unexpected bleakness of his surroundings was mildly depressing, so Bond checked into his room immediately, thinking a short map might repair his attitude and physical distress simultaneously. He plopped onto the spartan single bed and fell asleep.

The telephone rang four times before Bond groggily picked up the receiver. It was a woman named Del, calling to offer a tour of the power complex as soon as he was ready. Bond said he would meet her in the lobby in 15 minutes. There was no point in wasting time.

Del, a 24-year veteran of the Crown corporation's public relations bureau, turned out to be a fountainhead of detailed information about the town, the plant, the company, even the foliage in the surrounding wilderness--scrawny Jack pine, mostly, interspersed with alder bushes and outcrops of granite. Much of the ground was covered with a pale, spongy moss, the same stuff Bond remembered from childhood as the "lichen" used to fashion facsimile trees and bushes on model railroad sets. Life in Churchill Falls was not so dull and isolated as it might seem, according to Del.

"People get involved," she said. "The kids play hockey and ski, and they get all kinds of attention at school, not like in the big cities. Lots of women do crafts and things, and everybody fishes." She pointed out the medical center, staffed by two nurses from the Grenfell Mission and visited every month by a doctor and dentist. "After the boomtown phase of our megaproject," she went on, "things settled down a bit and got comfortable. The workers get high wages. They don't have to pay any power bill, naturally. The maximum monthly rent for a company-owned bungalow is \$100. All the incoming and outgoing freight costs are subsidized--lot's of us order furniture and outboard engines out of catalogues, and CF(L)Co. picks up most of the shipping charges. We get fresh produce in the winter, flown in. Every family gets two paid trips out of here every year, and nobody retires

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in Churchill Falls. We're moving to Florida next year. But it's a great place for young couples to start a family and save some money."

They pulled up to the main gate to the central power station. Del got out of the van to phone for security clearance. Bond watched the remotecontrolled television camera watch him. Del issued James a hard hat and visitor badge inside the control and administration building. They stopped briefly at the main monitoring station, where two men were watching a French language soap opera and casting cursory glances at data sheets and several panels of color-coded gauges. There were two clocks on the wall, one labelled "Quebec time." Del noticed Bond's thin smile, and murmured, "The customer is always right, you know."

They entered an elevator and quickly descended 1,000 feet to the powerhouse floor, an immaculate stretch of tiled pavement over 300 yards long. For the next two hours Del bombarded Bond with technical details about 400-ton turbine generators, the railed hoists that move them into place, the transformer gallery, cable and vent shafts to the surface, the surge chamber. She led him through access and escape tunnels, and showed him the fire and emergency refuge that could keep underground workers safely buried alive for 35 days. He pretended to know what she was talking about, and did his best to suppress the sense of awe and bewilderment he felt in the midst of this 5 billion kilowatts of electrical generating capacity. At the end of the tour, Del drove him down to the tunnel portal where water was returned to the Churchill River. She said it was her favorite fishing spot. It was clearly popular with others as well. Del pointed to a band of teenage boys with spin-casting gear bounding over the boulders near the mouth of the tunnel.

Bond was famished when Del dropped him back at the town center. He entered the hotel dining room that was also Churchill Falls' only restaurant. He was the only customer. Country and Western music playing from an unseen cassette deck behind the bar in an adjoining room, where three waitresses were playing cribbage. One of them strolled over to take his order. He ordered Newfoundland cod, but it turned out not to be available, so he made do with steamed broccoli, a green salad, and a baked potato from Prince Edward Island. Just as the waitress was poring his coffee, he heard the wail of an approaching siren outside. Suddenly, Del burst into the room, ashen-faced and out of breath. She beckoned Bond to follow her back out the door.

"The Mounties want to question both of us," she explained, struggling to keep her voice down. "You know that tunnel portal I showed you down the river today, where the kids were fishing? Well, one of them hooked a corpse. The dead man had an arrow in his neck. It was awful...and no wallet or anything. The only thing in his pockets was a foil bag of honey-roasted peanuts."

That's it for now. Suddenly I am reminded of the first law of holes: when you find yourself in one, stop digging. For what it's worth, the data and historical references are correct, and I believe there is the germ of a real-life plot in the juxtaposition of water and power (in all their potently variable meanings) with the future of inter-national relations in North America. Del, the CF(L)Co employee who led me on a solo tour through the facility, inadvertently provoked me to take the set is a James Bond movie. Stephen Maky