

Mr. Sobey's Empire

Two new books take conflicting points of view on Atlantic Canada's grocery magnate, Frank Sobey.

By Colleen Mackey

Frank Sobey: the man, the empire, the books.

Two recent books centering around Nova Scotia multimillionaire Frank Sobey approach their subject from radically different angles. While Harry Bruce's commissioned biography *Frank Sobey: The Man and the Empire* glorifies the business wheelings and dealings of "Stellarton's favorite son", Eleanor O'Donnell MacLean's *Leading the Way: An Unauthorized Guide to the Sobey Empire* takes a more critical look at the social implications of these transactions. One builds up his empire's mythology, the other tears it down.

Frank Sobey could in many ways be seen as a perfect case study of the successful capitalist—the entrepreneur's entrepreneur. Under Frank's ever-expanding gaze, his father's butcher shop became Sobey's outlet number one and the first of a Supermarket chain which was to dominate the Atlantic Region. His family corporation, Empire Company Ltd., has "interests" in drug stores, movie theatres, real-estate, insurance, and other assorted businesses. Total 1982 Empire assets were set at \$268 million. For 12 years the publicly vociferous free-enterpriser Sobey was also the first president of Industrial Estates Limited (IEL), a provincial crown corporation designed to provide government incentives for business investment in Nova Scotia. In terms of his impact on Atlantic Canadian life, Frank Sobey is certainly a worthy topic for a book. The question is, *whose* book? Or to be more accurate, which approach?

Harry Bruce and Eleanor O'Donnell MacLean have done more than simply chosen different opinions or different writing styles when creating these books. Each writer uses a unique writing form and accompanying philosophy when approaching Sobey and his "empire". And they couldn't be further apart. Harry Bruce, editor of the *Dal Alumni* magazine, has created a pre-paid biography which is written, designed, and conceived as a monument to Frank Sobey for posterity. Its easygoing narrative flow and genteel approach have little to do with what O'Donnell-MacLean calls her "Between the Lines" method" of digging through bias and propaganda in the news and everyday life.

Her book has been consciously structured to make the reader think for themselves. *Leading the Way* is not another definitive corporate profile, nor a ready-made theoretical treatise," she says in the preface. "Instead it is a sketch: the beginning of a process of questioning and investigation which you, the reader, can continue." Its pages are full of excerpts from Sobey's business manuals, cartoons and copies of management letters to employees. It reprints news articles about the Sobey's and related issues such as the erosion of the local farming base in favour of cheaper food imports from the Third World, and ensuing food shortages there.

O'Donnell-MacLean's readers aren't told to accept these articles as fact by their mere presence in print; instead, the idea is that by demonstrating the reality beneath the huge empire, readers will take less for granted and question more of what they're told. Her book



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also gives large sections over to ordinary people who have had some experience with the Sobey empire to present their oral history. It plainly presents workers unemployed due to Sobey's hard-line anti-unionism, and farmers who can't sell produce to this "local" chain because of foreign imports using cheap, exploitive labour. By letting them speak, the book moves toward a radically different view of history from that of *Frank Sobey: the Man and the Empire*.

Unlike the farmers and storeworkers of *Leading the Way*, Harry Bruce features a cast of what might be called "winners" in his book. It is populated by millionaires or aspiring millionaires. He gives the reader an up-close-and-personal look at Frank Sobey, encouraging the reader to identify with the Sobey's and their business practices—to vicariously live the privileged life of the corporate elite, if only for a few hours worth of reading a day.

Throughout the book Bruce cosily refers to Sobey by his first name and spends much of the hefty 443-page volume detailing the minutiae of "Frank's" business deals. Readers are supposed to be awed by his triumphs and forget about the impact of this slick manoeuvring on people outside the Sobey clan. As an account of how the Sobey's amassed their family fortune, the book is quite valuable, especially with Bruce's personal

access to Sobey family members and insiders. However, Bruce is not so forthcoming when it comes to some of Sobey's greater contradictions.

The Sobey's have a reputation for deploring government involvement in business. In a 1983 interview with *The Novascotian* (quoted in *Leading the Way*), Sobey said, "Supply and demand in the marketplace is the only thing that will really make things work properly. Government shouldn't try to interfere." When discussing the attempts to prevent the debt-ridden National Sea Products—a huge Nova Scotian fishing company—from being taken over by the provincial government, Bruce quotes Donald Sobey, Frank's son as saying, "We simply felt it would be a disaster to have National Sea in government hands."

What Bruce forgets to mention in his book—and what O'Donnell MacLean exposes in hers—is that in this "effort to privatise National Sea", the federal government put up \$90 million in funds to the private companies' \$20 million. For this \$20 million, the private investors, including the Sobey's, won 47 per cent ownership of the company. The Federal share of control was 20 per cent. The Nova Scotia government put up \$25 million and received no shares. The so-called "free enterprise" solution was little more than a government-funded acquisition by Empire and

others. So much for the evils of government interference.

For every instance where Bruce may have issued information selectively so as not to upset the Sobey's, he gives specific examples of obvious hypocrisy—and then fails to make the connection that anything is wrong with the Sobey corporate mindthink. He even praises Sobey's arrogance at times. The Sobey family has repeatedly singled out the Unemployment Insurance Commission for criticism as a wasteful institution. Yet he wasn't above making cash from it himself, when he "bagged" the Unemployment Insurance Agency as a tenant above one of his groceries. "However the rental arrangement came about, the fact that people were collecting unemployment insurance money just upstairs from a grocery was good news for the grocery, and the rent the government paid was good for the landlord," says Bruce.

This message—that government money is good, but government control is bad—is nowhere better expressed than in both books' widely different views on Frank Sobey's involvement with Industrial Estates Limited. As far as Bruce is concerned, the time Sobey spent handing out tax breaks and government financing to large corporations as IEL President were an altruistic adventure. He suggested Sobey's "years at IEL had been the most exhilarating, productive, and public-spirited of his life—even if they had cost his own businesses a million or two."

O'Donnell-MacLean spends a special section of her book tracing the Michelin tire case through its IEL encounters and points out how Industrial Estates offered not only the usual grants, but also concessions including a guarantee of a stable workforce. "Eventually this assurance led to the provincial Cabinet's restricting the powers of the Labour Relations Board, and finally to the Legislature amending the province's Trade Union Act itself," she says. This led to the changes in regulations which made certification of a union at one plant impossible, known as the "Michelin Regulation" and "Michelin Bill".

O'Donnell-MacLean also reveals the significant side benefit the Michelin agreements had for the Sobey's. "Just after the 'Michelin Regulation' had been introduced, it was also applied in union organizing drives at a Gulf refinery, and a Sobey's store." (emphasis added)

As for Bruce, he treats the Michelin affair as "the most triumphant coup" of Sobey's IEL career. Objectivity can't be expected in a biography paid for by the subject, and Harry Bruce doesn't shock the reader with any in this book, no matter his editorial leeway. He was paid to create a literary monument, and so he has—if not much else. The warts presented in the warts'n'all profile of Frank Sobey are only ones he would approve of.

Ironically, Eleanor O'Donnell-MacLean couldn't get access to the Sobey network of information because Frank Sobey's son William told her, "an official biography of the family was being written." This forced her to construct her excellent book as is. It's ironic because she wrote in her preface, "This method of examining existing information sources may become indispensable, as corporate control of information increases." When the corporation boys like Frank Sobey can have their history presented by journalists as well-known as Harry Bruce, it's good to know people like Eleanor O'Donnell-MacLean are still not for sale. □