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AN EFFICIENT APPROACH TO THE PROCESS OF  
AGRICULTURAL DEVELOPMENT IN THE WEST INDIES  
WITH PARTICULAR REFERENCE TO DOMINICA

by

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For the past ten years the concern over the question of economic development of the West Indies in order to raise the low standard of living of the people has become the central issue of political debates, and most, if not all Governments today are committed in one way or another to achieve this decisive goal. What is most evident is that there are markedly strong differences of opinion as to what constitutes the most efficient and effective method to attain such a desired end. However it seems clearly understood that efforts in this direction must involve economic change and the full utilisation of all potential resources both physical and human.

Since my experience is mainly concerned with the island of Dominica, this paper will be more or less restricted to something of a rather specific nature instead of being too general in its scope. However, because of the similarities which exist among the islands in their physical endowments, cultural heritage and historical context (though at different levels of political and socio-economic development) the basic problems and possibilities in Agriculture appear to have a high degree of generality.

2. The Importance of Agriculture in the Economy.

With the notable exceptions of bauxite in Jamaica and British Guiana, timber in British Guiana and British Honduras, oil and asphalt in Trinidad, restricted fisheries, the somewhat 'unstable' tourist trade, and a very 'embryonic' industrial core based on other minerals and imported inputs, most of the territories, particularly the present Eastern Caribbean group, will in the foreseeable future depend very heavily on Agriculture and its related industries; not only to provide the means of income and employment, but also for food production to support a growing population, and most of all as a source of external purchasing power for development.

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al purposes.

If the Windward and Leeward Islands are to promote some level of industrialisation (with the establishment of industries which process local raw materials into varied products for domestic, regional and foreign consumption) the preliminary step must be directed at more efficient Agriculture.

With relatively limited advantages through high costs of production, including transport costs, access to international trade for manufactured products could be very difficult. In a rather fundamental sense, agricultural progress becomes a normal prerequisite for industrial development.

The most important pre-condition for industrial growth is the achievement of a rate of increased productivity beyond the concurrent increase in demand for food. Furthermore, a rising agricultural productivity in the West Indies can make a very vital contribution to economic development by sustaining and promoting industrial growth through the following:-

- (1) Release of human resources from the hold of the land particularly where density of population in Agriculture is extremely high.
- (2) Creation and/or strengthening effective demand in the domestic market.
- (3) Capital formation for both private and public investment.
- (4) Providing adequate low-cost food for a growing population with a high income elasticity for basic foods.

It is evident that a reasonably significant proportion of the Gross Domestic Products<sup>1</sup> of some of the islands is derived from the agricultural sector, and as such, it does seem that a very high percentage of the people in the West Indies will be directly dependent on Agriculture no matter whatever success may be attached to other development projects.

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<sup>1</sup>

A Survey of Economic Potential and Capital Needs of the Leeward Islands, Windward Islands and Barbados.  
Dr. C. O'Loughlin.

### 3. A Case for Low Productivity in Agriculture!

There is a growing awareness that traditional or static Agriculture, instead of only proving to be a brake on a long-run process of economic growth and development, is also a major untapped potential, provided that the natural resources of land and water are rationally exploited.

The causes of low productivity and the consequent subsistence levels of living among the rural population are numerous, but the most important of them all include (i) inadequate markets for farm products with low prices and future uncertainties; (ii) poor soils and primitive techniques which place limits on the increase in productivity possible; (iii) low levels of investment, if any, because of the nature of the agrarian structure, and finally (iv) excessively high densities of population on the land - the process of fragmentation.

Population growth and the reduction in net migration makes the adoption of a system or systems of agricultural production which aim at obtaining optimum results, whilst conserving both material and human resources, increasingly necessary.

Despite the 'Banana Boom' of the Windwards, productivity of the islands' main economic crop is yet to attain any significant record, whilst efficiency of production has failed to surpass a fifty per cent mark. Today the industry in Dominica seems to have reached a critical stalemate with apparently decreasing yields particularly from peasant cultivations which constitute the majority of banana producing units.

Even under such circumstances the present situation in Agriculture can be described as both 'progressive' and 'traditional'. But in any island a combination of both may be evident among enterprises on a diversified scale. Whatever the case may be, a necessary condition for economic development is Agriculture which is 'modern', 'commercial' 'progressive' - an environment in which the factors of production are made to combine in-efficient proportions which should result in increased productivities..

What appears to be required at this stage therefore is some method of approach to the question of agricultural development, through which, a backward Agriculture, characterised by low productivities, can be transformed and moved into a progressive or dynamic stage.

Agriculture requires modernisation and this is consistent with the process of growth and development.

This phenomenon is possible wherever farmers, whether they may be peasants, estate-owners or otherwise, are 'economic men' who respond positively and negatively to economic stimuli particularly to the opportunities for higher incomes.

Quite contrary to the traditional doctrine that peasant economies in the underdeveloped world are not subject to the price or income incentive, it is a well established fact that the peasant proprietor in the West Indies is guided by the economic motive within the limits of his intelligence. The economic structure that has developed in these islands is quite different to the tribal systems of Western Africa, in that, in our system, money is the conventional means of exchange and the 'non-cash' sector is either extremely small or non-existent.

#### 4. The Problem of Modernising Agriculture

The most crucial question is how and where to modernise an Agricultural sector that is still characterised by traditional standards of husbandry despite the existence of large scale commercial farm enterprises. Empirical evidence<sup>2</sup> indicates clearly that through time the structure of Agriculture in the smaller islands has been shifting towards a concentration of smaller farm units. Similarly it is among the peasantry, that Agriculture, in its traditional state, as characterised by subsistence and semi-subsistence levels of production, has proven to be most resistant and technologically stagnant (though this is also true in the case of many so-called estates or plantations, particularly those under absentee management).

Undoubtedly the future development of the peasantry seems to be the key to the success of any programme for agricultural development. It appears that the labour shortage in estate Agriculture may worsen with the consequence of an unstable estate economy as the structure of Agriculture continues to change in some of these areas, unless mechanisation is effectively introduced. Truly, mechanisation may be limited to some extent by topography and climate, but wherever possible and necessary commercial estates are in a position to under take such investments without much outside help.

<sup>2</sup>

West Indies Agricultural Census Survey, 1956 - 1958.

5. The Process of Agricultural Development:-  
An Efficient Approach.

The process of agricultural development is a complex business since it involves the interaction of a large number of both economic and non-economic factors which can be of unique importance in any given situation either singularly or collectively. Similarly, according to Dr. Clifton Wharton Jr. in his paper - Modernising Subsistence Agriculture - two other factors deserve special emphasis in this area. The first is that agricultural development is a 'system problem' since farming is so much a way of life in rural communities, and secondly there is a 'specialness' to Agriculture which differentiates it from other forms of production simply because it is so often subject to the many natural forces over which Man has no control at this point in time.

As a result therefore, any successful approach to the process of agricultural development rests on a high degree of specifics, complexity, and interaction, and this requires adequate knowledge of the particular situation to determine the relevant variables which must be considered. Though the social, political or cultural factors may be of equal or even greater importance than the economic factors in any given situation, I will concern myself principally with the latter. There are the essential conditions which are necessary and there are those which can speed up the rate of progress once the initial take-off stage has been established.

The essential determinants which I have identified as most applicable to the West Indies, particularly Dominica, are as follows:-

- (1) Guaranteed markets - domestic, regional, foreign, for a diversified range of agricultural products either in the raw and/or processed forms. The products refer to crops for which there is a natural advantage in the area in a system of diversified Agriculture.

I refer to a diversified Agriculture since I consider this approach most necessary for the stable development of an economy which is so heavily dependent on the land as it's main potential resource.

The diversification of Agriculture in this sense is a buffer against the risks and uncertainties involved through changing tastes, changing technologies, agronomic failures, etc., and it also guarantees an adequate agricultural base for the establishment of multiple processing industries producing a wide range of food commodities.

(2) Available information at the farm level on new and/or improved techniques including land capability recommendations for crop production; soil preparation; improved planting material; fertiliser rates and combinations, disease control; etc.

(3) Incentives through fiscal policy.

Small scale farmers.

(a) Subsidy on purchasable inputs such as fertilisers. Subsidy on land operations for crop establishment.

(b) Crop insurances - against natural forces such as hurricanes, high winds, etc., against severe price fluctuations.

Large scale farmers.

(a) Tax credits on new investments for agricultural production.

(b) Depreciation allowances on productive agricultural assets.

General

Agricultural credit in the form of long-term low interest loans.

Subsidies referred to above should be granted to stimulate productive activities and not to choke off initiative. Whenever the latter becomes a matter of concern, subsidies should be discouraged or periodically reviewed and limited strictly to particular areas including duty-free exemptions on agricultural inputs.

(4) The provision of adequate transport facilities particularly the construction of feeder roads to the already existing trunk roads with priority given to lands which are potentially productive.

Probably the most important factor which would accelerate or retard the process of agricultural development, when once these economic essentials have been carefully manipulated through public policy, is the agrarian structure. This refers to the institutional framework for agricultural production which includes land tenure - the legal or customary ownership of land; land tenancy - system of land operation and the division of output between owner and operator; the organisation of markets, credit and production; and Government

services in the form of extension services - agricultural and home economics, health, housing, water supply, electricity, telecommunications and education. Illiteracy among farming people can be considered as one of the most serious setbacks to the development of Agriculture, and in most West Indian islands, and this includes Dominica, the majority of the farmers - the peasants - by and large are of a very very low educational level. The other accelerators would be 'Producers' Associations' and some level of 'Integrated Planning'.

Inadequacies and limitations of the agrarian structure such as insecurity of tenure, high rents, fragmental holdings through inheritance into uneconomic size farm units, absence of legal titles, chronic indebtedness, all within the peasant system, maintain unfavourable conditions for agricultural development. As such, any programme in this direction must consider the execution of appropriate reforms to the agrarian structure. This would obviously create the necessary economic environment for increasing agricultural productivities.

Any phase of reform to the agrarian structure should be concerned with the following:-

- (1) Establishment, through Legislation, of reasonable landlord/tenant relationships which would ensure rewards for effort and security of expectation.
- (2) Allocation of available Government or Crown Lands under Land Settlement Schemes with the essential factors provided under authorised supervision for an initial period of time during which outright ownership is withheld.
- (3) Legislation to curtail further fragmentation of lands into uneconomically sized plots which should be tied to agricultural credit regulations, subsidies, etc.
- (4) Rural development programmes in housing, electrification, education, health, sanitation, water supply and communications. Greater emphasis on vocational education is necessary.
- (5) Government sponsored credit facilities which would protect any loss of peasant ownership through indebtedness.

The agricultural sector is too important to be left to develop by itself while national planning concentrates on



industrialisation. It is therefore necessary that an efficient approach to agricultural development be designed and implemented as an integral part of the drive for general economic development.

Originally, it was argued that industrialisation was the dynamic element of the development process and as such gross emphasis was placed on the secondary sector by many developing nations. Agriculture was equated with the peasantry and steel mills were the symbols of power and prestige. However, experience serves as a good lesson to drive home the point that Agriculture must lead if the development process is to spill over into all three sectors of our economy when a country plans to move from a less developed state to a level of development adequate for the social structure concerned.