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- (2) an outright prohibition of sale to aliens. In place of this there might be substituted leasehold arrangements. The nature of economic activity pursued will have to be approved. On termination of the lease, the land would revert to Dominicans;
- (3) as an extension to either (1) or (2) above, and with particular reference to hardship cases Government might undertake to purchase such lands from the seller. Where a seller has been able to conclude an agreement with an alien, and should there be no local persons interested either in the context of an open market price or under a controlled price. This should be emphasised especially where such lands are

strategically located for developmental purpose.

It is suggested that the framework for policy must recognise that a relaxation of the strictures against alien land transfers can only be justified in the absence of native entrepreneurial interest in a particular project. Policy must, therefore, work towards the emergence of these ranges of interests and skills, and must provide where necessary the infrastructural requirements for investment. Where alien ownership is granted, recognising that the circumstances which make this necessary should be speedily removed, policy should ensure that lands transferred should return to local control as speedily as possible, without frustrating the anticipations of the alien investor over the planned investment period.

Discussion Report

The discussion considered the consequences of alien land holdings. Mr. Massink felt that too much paper work was presently involved in acquiring land in Dominica and suggested an alternative method of control, viz increasing land prices. Mr. Watty replied that the existing procedure was simple and raising land prices would have a bad effect on native Dominicans.

The discussion then turned to some possible adverse consequences of the Aliens' Landholding Act. Mr. James suggested that would-be investors would turn to other islands if the process of clearing an application were unduly long; another speaker suggested that new corporations would be barred as the London Stock Exchange had withdrawn share dealings due to the Landholding Act. Mr. Watty replied that the procedure for aliens to acquire land was similar in other countries and even more complicated in some. Time had to be taken in establishing the bona fides of applicants.

Two speakers stressed the need for a common regional policy on the question of alien land holdings. It was also suggested that land should only be sold leasehold to aliens, not freehold. Mr. Saul added that Governments have a right and duty to protect their people, and the application procedure should not be regarded as frustrating.

Mr. Nurse raised two further questions:

- (a) Is the problem of alien land-holding a greater problem for planners than the problem of the domestic structure of land-ownership?
- (b) Will mere control of alien land-ownership ensure that a plan succeeds?

Mr. Watty replied that he was concerned with what could possibly happen if the tourist wave hits Dominica. With no controls, alien land-holdings could become the greater problem.

On the question of the absorption of capital, Mr. Watty explained that despite low per capita savings, there was still a surplus of capital funds, and also an outflow. This was possibly due to a lack of entrepreneurial skills locally, but many aliens also did not possess the required abilities in tropical agriculture to make use of these surplus funds. Moreover, aliens tended to be in the wrong age group and tended to continue existing patterns of cultivation.

The Conference recognized the dilemma that agriculture may not always be the best income source, but the question of an alternative source was not clear considering recent economic developments in the Caribbean.