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OPENING CEREMONY

## PRESIDENTIAL STATEMENT

J.B. Yankey  
*(President, Caribbean Agro-Economic Society)*

This Annual Conference, managed and organised by the Caribbean Agro-Economic Society since its inauguration on April 8, 1974, is currently undergoing basic changes in objectives and manner of approach and is becoming quite different to those of the past.

Our experience led us to decide on a shift in orientation towards the preparation and presentation of information on relevant and pressing development problems, and to emphasize analytical and constructive discussions in a manner which could provide alternative solutions of an applicable nature to those things which seriously concern us.

You will find, therefore, that we have reconstructed our basic Conference objectives and these will gradually unfold from today and in the years to follow. In time, however, we will need to undertake periodic evaluation of our performance in keeping with those objectives. From our own experience and judging from the sensitive mood of the public towards investment, both in time and money, in Conferences which tend to yield little direct benefits in relation to costs, and rightly so, we feel confident that these objectives, if achieved, will make this and all other Agricultural Economics Conferences interesting, stimulating and beneficial to all. They will also enable the Society to make a positive and meaningful contribution to the development of the rural sector as a whole, and agriculture, in particular, in the CARICOM region.

The basic objectives of the Conference series as we set out on our new path are:

1. To find practical solutions to real problems existing in the respective rural sectors of the region as we move our venue from territory to territory.
2. To promote and encourage in-depth analytical discussions on agricultural development issues relevant to the experience and needs of individual CARICOM territories, with the emphasis on the host country.
3. To direct the use of regional expertise available at Conferences towards action-oriented debate thereby releasing practical knowledge from the many disciplines which need to be considered simultaneously in planning rural development, while at the same time drawing on a pool of manpower resources with scarce skills which is either unavailable otherwise, unknown to most of us, or too costly to obtain.

This Conference has been built on a Case Study dealing with a particular local situation and at the same time has broadened the scope of subject matter to embrace the rural sector. This first attempt is therefore in keeping with our redefined objectives.

We have chosen the theme *Implementing Programmes for the Development of the Rural Sector* because we fully realise that rural development is a matter of great importance. Firstly, in most of the territories of this region, land and people are the principal natural resources available to attain social and economic goals. Secondly, the majority of the people live in the rural environment and it is desirable that we address ourselves to the need to make life rewarding, comfortable and attractive for them so that they may not be burdened with the desire to find a home elsewhere; that they may find the incentive to stay in the rural towns and villages to improve and develop their communities; and that they, in particular, and the society generally, may be spared the ill effects of the rural drift to urban centres with already existing unemployment and environmental problems of their own. Thirdly, our population depends heavily on the products of the land for their needs: as food to meet nutritional requirements, curtailing the dependence on imports which are currently having a direct and adverse effect on the cost of living; and for income to meet needs for investment in proper housing, sound education for children, amenities for creative and physical development, and the consumption of essential goods and services. Fourthly, industrialisation has proved to be difficult to speed up in small economies and cannot provide any quick and easy way to solve the national unemployment problems which seriously affect the rural communities.

A Case Study Report will provide the material for Conference presentation and discussion. It does not attempt to provide all the answers to the problems identified. It embodies evidence of facts, it analyses situations relevant to the subject and seeks to provide some interpretations and ideas which give the framework within which this Conference is expected to proceed during this week.

The Society is very pleased with the efficient and business-like way in which the study was conducted. We are most grateful for the co-operation we received from the Government of Dominica and its Agencies in the gathering of information and necessary guidance; and, for the support from the people of Grand Bay, the farmers of Melville Hall and Castle Bruce Settlement projects who co-operated with the Team during the field survey.

Let me say how much this Conference is indebted to the Team of experts from within the region who made their services available. It involved very quick movement from home base to Dominica and back, willingness to meet at short notice and a real commitment to get a job well done within the time constraint.

We are satisfied that there are people with the required expertise in the Region who can contribute one way or another in searching for answers to development problems, and who are capable of planning and implementing programmes to meet any realistic target that we set ourselves in life. The men who did this job are only some of those. You at this Conference constitute a large cross-section of those who can make that contribution, and are in fact engaged in that process in different ways.

For this reason we can say that for the duration of the week a body of experts from many disciplines and with varied experiences will be looking closely at one particular but major rural problem. Considerations of any proposal aimed at promoting the welfare of the rural sector requires this type of treatment. There are numerous aspects which need to be carefully

examined and this gathering provides an appropriate forum.

This is a work session, and we need contributions from all; contributions which are objective and analytical in nature; contributions based on relevant experiences; contributions which make whatever final proposals that emerge from this Conference both acceptable to the people of Grand Bay and to the Government.

We expect a high standard of debate, we expect good taste in our expressions and points of view and we ask you to produce the quality of discussions in keeping with the highest professional and gentlemanly standards.

I am sure that if we follow the course outlined this Conference will produce results we can all be fully proud of; satisfied that each one played his part in meeting our objectives.

## KEYNOTE ADDRESS

H.L. Christian  
(Deputy Premier of Dominica)

Ladies and gentlemen, it gives me a great deal of pleasure to associate myself with this your Eleventh West Indies Agricultural Economics Conference, and on behalf of the Government and people of the State of Dominica, I wish to extend a very cordial welcome to all those of you who have come from neighbouring territories and other climes, especially those of you who have come here for the first time.

Colonel the Honourable Premier, Patrick John wishes me to say how very deeply he regrets not being able to be present at your Conference and to address you here today, because of urgent government business which has necessitated his absence from the State.

All I propose to do is merely to refer briefly to some aspects of this Rural Case Study Report upon which you have come here to deliberate, having had a cursory glance of the draft of this massive and comprehensive exercise of facts and figures relative to the Proposals for the Development of the Geneva Grand Bay Estate.

In his foreword to this Case Study, Dr. J. Bernard Yankey quoted the President of the Caribbean Agro-Economic Society as lamenting at the Tenth Conference held in Guyana in April last year, that 'we seem to spend more time talking around the subject than actually assisting in getting things done in agriculture in particular, and in rural development as a whole.' With all due deference to this Conference, this is indeed a mouthful, coming as it does from the horse's mouth itself.

However, this is a rather frank and refreshing statement made by an expert who has had the courage to be brutally critical about the functional aspect of his job. This is the unequivocal sign of intellectual greatness.

The ordinary farmer and lay-people like myself, tend to view with skepticism the practicability of implementing the many volumes of recommendations emanating from so many high-level conferences in these parts. Many of those voluminous reports are merely for archives, for scholastic researchers, but of little practical value to ordinary people.

We ordinary mortals who live at the grass-roots with our feet firmly planted on Mother Earth, want to see action and immediate end-results. Of course this is not always possible; and it would be plain silly, naive and negative to reject out of hand research, planning and feasibility studies without which no real positive action can be taken. But for God's sake, I say, let the experts take the bull by the horns and do some on-the-spot work with their own hands.

In this context the little that I have had time to note in this Rural Case Study, the aims and objectives, the grass-root socio-economic down-to-earth surveys of the villagers' attitudes, and social values, and the

ultimate recommendations for the implementation of co-operative units, small industries, etc., should with the proper follow-up redound in bringing about what could be a cultural revolution in the village of Grand Bay and the surrounding hamlets.

Some of the other proposals, such as expansion of the handicraft industry, a pilot factory for manufacturing coir products, furniture and wood-work, lime juice and lime oil, wine-making, could, as this Case Study recommends, make an important impact on the unemployment problem in the Grand Bay area.

Dr. Yankey has no illusions about implementing these proposals. In his concluding remarks he has written, "The task of initiating and sustaining development, in accordance with the goals and aspirations of the Grand Bay community is a formidable one." And he suggests that there will have to be a great deal of involvement by such agencies as the Village Council, the school administration and the church and youth groups.

I think Dr. Yankey hit the nail on the head when he made this very significant observation:

*Considerable effort will have to be given to convincing the youth of the need for a co-operative approach to development, and to work hand-in-hand with other interest groups which may appear to have goals and objectives diametrically opposed to their own. Equally, many adults in the community will have to be persuaded of the wisdom and necessity for acceptance of some of the ideals of the youth, and relax their rigidity against all proposals advanced by youth and their leaders.*

As Dr. Yankey has noted, Government is well aware of the problem at Grand Bay. Accordingly, Government in its UNDP structural development plan for Dominica has laid down phased development programmes in housing, agriculture, rural crafts, and small scale industries, sports and other cultural amenities for the area.

This Case Study, coming therefore as it does at this psychological time and place, should serve as a great boost to the mobilisation and implementation of the programmes with significant despatch.

I should like to take this opportunity to congratulate Dr. Yankey as a loyal son of the soil on his valuable, and most laudable contribution to Dominica in a very practical way; and trust that his Case Study will turn out to be a scientific masterpiece.

Finally, let me wish the Caribbean Agro-Economic Society every success in its Eleventh Conference here in Dominica.

## FEATURE ADDRESS

J.O. Seraphin  
(Minister of Agriculture, Dominica)

Mr. Chairman, distinguished guests, ladies and gentlemen, I am indeed honoured to be asked to address you on this significant occasion. This is the sixth Conference of this kind since the fifth in the series was held here in Dominica in 1970. The records show that the 1970 Conference was quite different from previous ones - the departure being that it was held away from a campus of the University of the West Indies.

Of that 1970 Conference, too, it is reported that the participation in terms of persons attending had reached a new record. I can see that this current conference has not failed to attract widespread interest; and in my capacity of Minister for Agriculture, I am happy to extend the hand of welcome to the visitors coming from both in and outside the immediate Caribbean area.

At the risk of sounding rather inquisitive, allow me to quote from the official records of the 1970 Conference held here in Dominica. It says:

*The Conference was attended by an unusually large number of farmers from Dominica and a Government-sponsored group of farmers from Grenada. Though the Conference was not designed to cater particularly to farmer-participants, their presence was occasionally salutary in bringing discussion 'down-to-earth'.*

When one considers the main themes followed in those 1970 meetings (*The Prospects for Developing Agriculture in the Small Caribbean Commonwealth Territories* and *The Role of the Small-scale Farmers in the Caribbean Economy*) one is apt to wonder what was the actual level of condescension that was inherent in that statement I have just quoted from the official conference report.

I am relieved for the sake of our agricultural future that the Dominican farmer saw it as his business to attend the 1970 Conference. I will be even more reassured if the participation by our farming community does not this time fall short of expectations. In fact, I look most wholeheartedly towards the active presence of our farmers at the appropriate sessions, augmented in numbers if possible by the farming brigades of any other sister Caribbean territories who have not been specifically deterred by the continuing effects of the prevailing economic crisis.

The theme declared for this year's Conference relates to a bread-and-butter affair, one which, in my candid opinion, seeks to expose the heart of the survival issue for many areas of the Caribbean. It reads: *Implementing Programmes for the Development of the Rural Sector.*

We are living in an age where, whether we like it or not, the emerging countries of the Caribbean are assigned the task of endeavouring to catch up with the developed or more quickly developing world. This task is an assignment handed down by fate; handed down by the force of circumstances that are largely still outside the total control of the best brains in the spheres of economic thinking. We have seen inflationary trends accelerate to the



point where the cost factors bearing on our capital development in these parts have assumed most daunting proportions. It takes little imagination to appreciate the situation when you understand that road construction quite easily approaches three times the cost of what it was only a few years ago, and here in Dominica we are faced with the blunt reality of a deepwater harbour which would have cost only about \$4 million somewhere around 1970, now costing about \$11 million, but at the same time providing less than half of the wharf space envisaged for the initial expenditure estimated.

In the face of all this we have to forge ahead in the development race. That means we have to run several steps at a time in a forward direction in order to gain one single step of progress against the adverse tide of an economically depressing situation.

I did not come here to lament a situation. I am an optimist at the worst of times, and I would not hold a brief containing agriculture if I did not think there was a reasonable prospect for this sector of our development. Nor am I totally unmindful of one of the features of the current world economic position - that is the effects on the price of a commodity called Sugar. Relevant to this we have news of an awakened activity in Antigua and St. Vincent.

Despite this sugar phenomenon it can safely be said that the economies of the Caribbean territories on the whole have taken a battering and can expect to fight uphill for some time to come. Examination of the general outlook for the region reveals that agriculture will continue to play a significantly outstanding role in our economies. For this reason, I find the theme for this year's conference to be quite pertinent; we need to be conscious of a total concept for the general development of one of our individual territories in the Caribbean.

In the past in this country one has been content to base our development upon very loose principles that, to speak the truth, perhaps suited the trends of the time. The major concern in the area of development of the island community was for the establishing of roads (this is still going on), schools, electricity, water supplies, health services (all these phases relating to our social and economic development are still in progress). However, much as several of these features are directly connected with benefits to the immediate rural communities, they had never been designed within the framework of rationally developing these scattered rural communities.

Basically, the outcome of the development such as we have had, has been to concentrate inequitably upon the capital city and this has created an imbalance resulting in the well-known migration away from rural areas, with consequent effects upon agriculture. We have not only seen migration from the country to town within the State, but migration also away from the State to metropolitan countries - U.K., U.S.A., Canada, etc.

The migration in the past, as one sees it, perhaps served a very useful purpose - as a sort of safety valve for persons who could not obtain employment locally. In the long run it was beneficial to the State in providing a useful outlet. Right now, this position is drastically altered - and has been so for some time since the early 'Sixties'. The net effect is an appreciable growth in the population relating to the

employment-seeking age groups. With the capital town unable to provide the opportunities for employment in any sizeable degree the realization has dawned upon us that development of the rural sector along a rational plan will be the only real salvation to an otherwise potentially depressing and fundamentally explosive situation.

Such a concept relates to a number of themes:

- (a) land distribution (acquisition);
- (b) appropriate capital or credit facilities to farmers;
- (c) availability of farm machinery pools;
- (d) provision of seed planting material on suitable scale;
- (e) adequate agronomic technology being provided for the benefits of the farming community;
- (f) agriculture as a subject becoming a substantial and meaningful discipline in the education system;
- (g) adequate road system to support and help expand the farming structure;
- (h) shipping facilities adequate to the needs of present and expanded agricultural production;
- (i) industrial initiatives to bring our agro-industry situation to a more plausible and logical projection; and
- (j) to setting up of a vibrant regional marketing agency.

All these themes which I have just set out hinge upon a number of prerequisites which pave the way for logical and feasible action in the line of our agricultural development. In this respect allow me to emphasize the various aspects of this Government's programmes which are relevant fore-runners in the strategy for agricultural development. The establishing of a data base is one on which realistic plans and propositions can be made. This includes a resource inventory and this issues largely from the current Land Resource Development Report produced locally. Exercises have been carried out on the cropping patterns occurring in Dominica. This involves features such as crop acreages, farm sizes, land tenure. All this data is compiled within the recent Agricultural Census. Further research work has been already documented on matters pertaining to available markets for the crops which are intended to be produced, and relevant insights on prospective commodity prices are both contained in projections appearing in the recently presented Marketing Board Report undertaken with the help of the Canadian Government.

The concern of this Government is to achieve a suitable degree of diversification for the total economy of the State. This goal relates to the situation of our food import bill. The following reveals the position as to imports of certain food items that this State is quite able to produce successfully:-

<u>Item</u>	<u>Year Imported</u>	<u>Volume (lb.)</u>	<u>Value (\$EC)</u>
Coffee	1973	61,082	110,147
Beans, Peas, Lentils	1973	268,804	127,798
Mutton	1974	21,778	25,287
Pork	1974	443,178	334,652
Poultry	1974	897,902	443,269
Dairy Products	1974	1,895,457	1,785,860
Beef	1974	116,344	121,913

It is intended that strong impetus will be given towards an adequate programme of diversification in real terms. The ambitions spelt out here are not only connected with import substitution. They are allied to the need to secure proper nutrition within the budgets of the lower income people. This, you will agree, is vital and meaningful in a day and age when prices of foreign commodities have soared spectacularly, with the poor suffering disproportionately along the scale of misfortune. This is one social consideration that the agricultural policy of any Government in these parts must hold well forward in its scheme for contentions against inequities in resource development.

The general platforms from which the Dominica Government will launch its efforts for agricultural development are enshrined in the State's *Physical Structure Plan* and the *Agricultural Sector Plan*.

The Physical Structure Plan engages a wide-ranging perspective for the integrated development of the entire State. This encompasses provisions catering for a large number of rural areas (no less than the urban areas).

The Structure Plan has as its goal to induce the beneficial effects of a more suitable distribution of the State's population with resulting influences on the desired dispersal of economic activity. The goal also induces the growth and future distribution and function of the principal communication system, whether by land, sea or air; current Government policies with respect to economic and social development; the resources likely to be available for carrying out any of the proposals contained in the Plan; the environmental and physical circumstances of the State; the extent of any area required for nature and forestry reserves, major public open spaces and land allocated as being in the national interest for the strategic long term planning of the State.

The Structure Plan has been prepared to meet the requirements of the planning law. Therefore, the survey and analysis has been made a little more elaborate than would normally be needed in a documented plan as it forms the operative part of the plan - the Written Statement. Volume I is the written statement and contains the following:

- Part I : Inventory and Analysis
- Part II : Policies, Projections and Standards
- Part III : The Structure Plan
- Part IV : Implementation Recommendations

Volume II - the Appendix is the descriptive matter of the Plan.

The Government has appointed a Citizens' Advisory Committee to review the Plan. Under the provisions of the 1975 Town and Country Planning Act, the Minister in charge of Planning approves the Plan on behalf of Government.

In the light of these considerations and others, the following are the major goals and objectives of the National Structure Plan for Dominica:

- (a) maximise the use of available land resources in a manner that will increase employment and reduce disparities in income, between rural and urban areas;

- (b) develop a system of urban and rural settlements commensurate with the location of resources, in a manner that will permit provision of infrastructure and other facilities on an economic basis; and
- (c) improve existing levels of infrastructure facilities and services to desirable standards and propose new facilities and services wherever needed, to facilitate optimum utilization of available resources.

These two plans embrace periods ranging from 5 to 15 years.

The sentiments that I have expressed are put forward in the context of the ideals of regional integration which embrace the field of opportunities proposed for the less-developed territories within the CARICOM framework. I can think of no other way of drawing to mind these ideals than by asking you to read again the text of the speech delivered by Mr. William G. Demas, then Secretary-General of the Commonwealth Caribbean Regional Secretariat, when he delivered the feature address at the opening of the Fifth West Indies Agricultural Economics Conference on 6th April, 1970, here in Roseau.

I will quote from only a very brief segment of Mr. Demas' speech.

*I can think of several industries, including both agricultural and raw materials as well as strict secondary industries, which can have their different activities dispersed throughout the region. In other words different inputs for the final product can be supplied in different parts. It is not necessary, nor does it follow from this that those territories which produce the inputs will generate more or will generate less value-added than those territories which produce or that single territory which produced the output. I am saying that in a regional activity, where different aspects of the activity were dispersed, it is quite conceivable for an input aspect of activity to add more value than the finishing aspect which is the last stage of the industry. That is the third possibility in ensuring that the less developed countries benefit from the integration process.*

*Yet another possibility which is worth exploring is this: where activity is being carried out in one of the more developed countries and this activity needs and gets access to the whole regional market, it is quite possible for the Governments of the country where that industry is located to pass on part of the taxes derived from that industry to the Government of those less developed countries which provide the market for the particular product.*

*These are just four examples of institutional expedients designed to deal with the problem of polarization and to ensure that the less developed countries derive gains from integration. I am quite sure that, with a certain amount of imagination and ingenuity, several other possibilities can be developed and examined in terms of their feasibility.*

*Now I recognise that it is not, strictly speaking, the business of agricultural economists to consider the need for development ideologies or even to attempt to formulate them; but I think you will agree with me from your own experience in the region that*

*trying to have real development in the West Indies, development based on internal effort, on internal changes, internally motivated changes based on internally made decisions, is quite impossible unless this sense of commitment is developed. To my mind this sense of commitment can never be developed if one continues without some firm ideological basis. A nation cannot achieve anything if it resides in an intellectual and moral vacuum.*

Let me end by saying that I firmly endorse the sentiments of the President of the Caribbean Development Bank put forward six years ago; and I hope that time has not made them any less applicable nor less palatable in the year 1976 during our very real and current situations.

I thank you for your patience in listening; and I wish every success upon this Eleventh West Indies Agricultural Economics Conference.

INVITED ADDRESS

A RURAL WAY OF DEVELOPMENT\*

C.A. Benito  
(University of California, Berkeley)

I. Agrarian Structures and Rural Changes in Latin America

Functional Dualism

The agrarian structures of most Latin American and Caribbean countries are characterized by a system of social relations here referred to as *functional dualism*. Under functional dualism a large part of the population integrates a subsistence-oriented sector,<sup>1</sup> the economic basis of which is the *minifundia* (small landholdings). Within this sector, the peasantries only produce part of their subsistence income<sup>2</sup> and supply cheap labour services and foods to a commercial sector. The commercial sector, in turn, produces agricultural or mining commodities (and more recently manufactures) most of which are exported to finance the import of capital goods, raw materials and energy, and luxury consumption. These imports, the final form of a large proportion of the national surplus, are mainly appropriated by landed elites, merchants, and bureaucratic social groups. The latter groups also benefit from the important flow of domestic services supplied by members of the peasant households.

Overall, the performance of the agricultural sector within functional dualism is characterized by the tendency of food production to stagnate and the persistency of widespread rural poverty.

Under a capitalist organization of production, the profit motive backed by scientific and technological developments has promoted a continuous growth of production; and this has required a subsequent expansion of markets for final goods. The ways whereby a balanced growth between production and consumption has been achieved are different in advanced industrial and Third

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\*A large part of this lecture is based on Carlos A. Benito, "Cultural Action and Rural Development," *Alternatives*, Vol. 2, No.4 (December, 1976).

<sup>1</sup>A subsistence economy, as understood here, refers to the peasant and artisan modes of production oriented by prospective family needs. It relies on family labour and uses traditional technologies (Wolf, 1966). It differs from modern economies integrated by commercial farms, factories, offices, and banks which are investment oriented, rely on hired labour, and use modern technologies. The production of a subsistence economy can be market or household oriented.

<sup>2</sup>That which is needed for a peasant family to live on and to reproduce.

World countries. In advanced industrial countries, the balance has been achieved by incorporating the bulk of the labour force into the process and benefits of modernization.<sup>1</sup> This was made possible through social pacts whereby governments intervene with public policies to maintain and expand aggregate demand, and labour unions promote wage increases in proportion to productivity increases.<sup>2</sup> The economic regime by which balanced growth is realized through expansion of workers' consumption is here defined as a *socially articulated* economy.<sup>3</sup> In addition, production has expanded following the gradual process of technological development whereby forward and backward linkages to industrialization were established. The resulting balanced growth between production of final goods and capital goods is here defined as *sectorial articulation*. Social articulation at a political superstructural level has depended on the existence of unlimited sources of raw materials and energy (on the production side) and a gradual transformation of the content of culture into commodity forms (on the demand side). These bases for this social pact are untenable in the long run and the cause of new conflicts - as environmental and energy crises, existential anguish, violence, and poverty in Third World countries.

On the other pole, production of the modern agricultural and mining sectors of most Third World countries has been export oriented. In this case social articulation was not necessary for balanced growth, and there were no economic incentives to incorporate the bulk of the rural and urban populations into the process and benefits of development. This tendency was not modified by the process of industrial import substitution<sup>4</sup> nor is it likely to be altered by the emergent industrial export models where economic feasibility depends on a low cost of labour services and where technical feasibility is assured through the import of capital-intensive technologies. The need for cheap labour (on the industrial production side) favoured cheap food policies which, in turn, caused stagnation of food production.

Functional dualism assumes different institutional forms according to the geographical, cultural, and social circumstances of each area and

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<sup>1</sup>This incorporation has been necessary at the production and consumption level. At the production level, the development of the labour markets was necessary to freely allocate labour services among activities, spaces, and time. At the consumption level, it was necessary to expand purchasing power.

<sup>2</sup>These "social pacts" between corporations, state bureaucracies, and organized labour movements were a way to overcome the failure of market forces in preventing successive business cycles with their unemployment and inflationary phases. In the United States, this social pact was institutionalized in the New Deal after the great depression of the 1930's. In Europe, it is institutionalized in the social democracies.

<sup>3</sup>I have borrowed this terminology from de Janvry and Garramón (1976).

<sup>4</sup>The industrial import substitution model had potentials for growth with social articulation; e.g., this was the experience of Argentina until the 1960's. However, most experiences with import substitution have been based on the production of luxury consumption. Market expansion has been much limited and based on the development of a large white-collar and a small blue-collar group. However, the bulk of the peasantries has remained in the subsistence sector (Benito, 1976b).

can persist over time after the changes produced by the collision between modern and traditional institutions. For example, functional dualism in Latin America is found in the *latifundia-mini fundia* regime of the pre-land reform stages of some countries and even in the *mini fundia* and commercial farm regimes of post-land reform stages of other countries such as Mexico and Bolivia. It exceeds the purposes of this paper to provide a detailed analysis of the process whereby functional dualism emerges and stays in different areas - in particular, the influences of unequal exchange over the position of Third World countries in the international economic order, the position of the rural sector within each national economy, and the position of the peasantries within the rural sectors.<sup>1</sup> Rather, the paper will concentrate on explaining the nature and performance of land reforms and rural development projects as a means to overcome rural poverty and food production stagnation. In the sequel, functional dualism will be studied in more detail.

Most Latin American land reforms were aimed at overcoming *latifundism* as an agrarian regime. Changes in traditional land tenure systems were expected to induce productivity growth in agriculture and a redistribution of social power and access to resources among agrarian social groups. On the other side, most recent rural development projects are aimed at modernizing the *mini fundia*. They are expected to induce increases in food production but without a previous transformation of social relations. Besides increasing food production (an overall national goal), they are also expected to alleviate rural poverty by increasing the net farm income of small family farms and peasant households. The following analysis illustrates and provides an explanation for the limited effects of some experiences with land reforms and rural development projects.

### Reforming the Latifundia

The most important land reforms of Latin America have resulted from the interaction between economic and social forces. Economic forces are those aimed at overcoming conflicts in the process of capital accumulation created by the tendency of food production to stagnate. Social forces are those aimed at overcoming conflicts between agrarian social groups generated by a deepening of rural poverty. For example, economic forces were a dominant factor in the realization of the land reforms of mining and export-oriented countries such as Chile and Peru and even Bolivia while social forces were more dominant in the Mexican land reform.

In mining and export-oriented countries, food production tended to be domestic-oriented. The low degree of technological development of

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<sup>1</sup> Unequal exchange is the transfer of surplus from one area or sector to another. It results from a structure of relative prices determined when the standard of living of the labour forces of the two areas is different. This difference is not explained by productivity differentials but by cultural-historical conditions whereby a social group lives on and reproduces itself at a lower quality level than another. Unequal exchange is possible when capital mobility (in particular, across countries) is higher than labour mobility. Indeed, the present international economic order is characterized by the existence of a single capital market, while the heterogeneity of institutions within Third World countries restricts the mobility of labour.



the *latifundia-minifundia* regime caused the domestic food supply to be smaller than the potential or even actual demand, as in Chile and Peru, making it necessary to import the deficit. With the industrialization efforts that began after World War II, the need for increasing food production became more pressing in order to feed a growing urban labour force. In addition, since the development efforts were based on the existence of a cheap labour force, cheap food policies tended to be favoured, reinforcing the tendency of food production to stagnate. That is, the traditional social relations and the low technological development of the *latifundia* became conflictive with the incipient process of modernization in the urban sectors. *Latifundists* will try to compensate the tendency of their ground rent to disappear and of their profits to fall by transferring part of their prospective losses to peasants via larger land rents or lower rural wage rates, or by transferring part of their prospective losses to other economic sectors via tax exemptions or evasions or via subsidized credits. The consequent deepening of rural poverty reinforced by a rise in the aspiration level of peasants brought by modernization aggravated the conflicts among agrarian social groups which expressed themselves in peasants' mobilizations. The demands for land reforms of the peasant organizations, based on considerations of equity, tended to run in the same direction as the consent to land reforms of urban groups based on considerations of efficiency, growth, and deficits in the balance of payments.

A land reform expropriates the base of the monopoly power that allows a landed elite to generate rent in the form of labour services, products, and cash on one side and in the form of subsidized credit and tax exemptions on the other side. With the expropriation of ground rent, technological change becomes a more profitable alternative than institutional control of factor allocation. Therefore, incentives for agricultural growth are created. But a land reform does not necessarily overcome social differentiation and, hence, rural poverty.

One illustration of the above proposition is the Mexican experience. The land reform of Cardenas beginning in the 1930's eliminated the *latifundia* and the *peonage* and created conditions which induced a large increase in total factor productivity of the agricultural sector (Hertford, 1971). Mexico became the scenario of an impressive "*Green Revolution*". However, that reform did not overcome rural poverty. Functional dualism stayed with the development of a regime of modern commercial farms supported by an irrigation infrastructure and diffusion of modern inputs and practices which coexisted with a large subsistence sector based on the *minifundia* economies dependent on rainfall and traditional methods (Stavenhagen, 1970). The peasantry is unable to produce its total subsistence income and needs to supply labour services to modern commercial farms, construction projects, factories, and wealthier households. In turn, the sector of commercial farms supplies food to urban populations and generates import capacity through agricultural exports.

Another example is the Bolivian land reform in 1953. Its effects on agricultural production growth were less spectacular than in Mexico, but a significant redistribution of land among social groups was accomplished. An ultimate result has been the development of a regime of commercial farms in the place of the traditional haciendas; but the bulk of the peasantry continues to be an impoverished group functionally

related to the modern agrarian and mining sectors. The beneficiaries of the peasant's labour have changed (the modern commercial farms in place of the *ex-hacendados*), and the means of social differentiation have shifted from control over the land *per se* to control over capital and access to credit and modern technologies (Leons, 1975).

These examples of two sweeping land reforms in Latin America illustrate that land reforms *per se* do not necessarily overcome rural poverty. Its actual results depend on the type of agrarian regime that they promote and on the prevailing exchange conditions between rural and urban sectors.

The future performance, in terms of efficiency and equity of the agricultural sectors during the post-land reform period of Chile and Peru, still has to be seen. The probability that they will follow the same pattern as Mexico and Bolivia is relatively high.

### Reforming the minifundia

The agrarian policies of the 1960's were dominated by mild or substantial land reforms aimed at overcoming the *latifundia*. The agrarian policies of the 1970's are being dominated by rural development projects aimed at modernizing the *minifundia*. In countries under a post-land reform situation, rural development projects are seen as a complement of land reforms and are largely determined by social factors. The basic objectives are to alleviate social tensions and to improve peasant welfare. In countries which did not undergo substantial land reforms, such as Colombia, rural development projects are regarded as substitutes for land reforms and are determined both by economic and social factors. On one side it is necessary to decrease the imports of foods, and on the other side it is necessary to prevent social tensions and to improve peasant welfare. The experience of many rural development projects indicates that their impact on food production has not been significant or that they had a regressive, distributive effect. These results puzzled researchers and policy-makers.

Slow diffusion of modernization: The observed low rates of adoption are largely a consequence of the assumptions made in the project design and implementation about the nature of the peasant cultures, the economic structure of the peasant household, and the position of the peasantry within the agrarian structures.

Considerations about the peasant cultures are necessary in assessing their resource allocation criteria and their cognitive styles when learning modern practices. By now, many anthropological studies and statistical surveys support the proposition that peasants follow some criteria of efficiency. The conditions of rural poverty, however, give a peculiarity to the process of the peasant's choice under conditions of uncertainty. The limited control of resources (e.g., small holding with low soil quality) enables most peasants to produce no more than a subsistence income level; in addition, and also as an expression of poverty, they have less means than commercial farmers for controlling yield variations produced by weather conditions (e.g., they have less irrigated land) and for anticipating price variations (e.g., they have less market information). These conditions induce a behaviour in front of risky events which resemble a survival type of algorithm (Lipton,

1968) as safety-first rules.<sup>1</sup> Since many modern practices (e.g., Green Revolution type) produce larger yields than traditional practices but with large coefficients of variation, poor peasants, *ceteris paribus*, rank modern technologies at a lower level than commercial farmers. A bad harvest for a poor peasant could mean the loss of a child or an increase of usury dependence. Furthermore, the peasant's efficiency in learning modern agronomic and organizational practices depends on the nature of the communication process used by the diffusion agencies. For instance, the *extension* model was developed for Nordic countries for a man trained in analytical cognitive styles and use of conceptual contents of knowledge. However, in many peasant societies, associative thinking and symbolic contents of knowledge predominate. In these cases the communication between agronomist and peasants requires the analysis of the pragmatic content of the peasant language, the study of his associative field of meanings, and the delimitation of the possible significative themes implicit in the associative field of meanings of language. That is, in the terms of Paulo Freire (1973b), extension needs to become communication. One example of this possibility is offered by the Puebla Project experience where communication is a major component of the modernizing process (Diaz and Felstenhausen, 1974).

With respect to the structure of peasant households, modernization projects need to pay more attention to the existing patterns of allocation of human time among family members and among activities and to the existing agricultural production systems of peasants. In peasant societies - and particularly in corporate types of communities - distribution of work between sex and age still reflects a social division of labour functional to the reproduction of precapitalist modes of production. If a modern agronomic practice is, or is perceived to be, biased against these traditional patterns, it will be adopted at a low rate. For example, the limited acceptance of new seed varieties introduced in Cochabamba, Bolivia, is attributed to a diffusion process geared to men rather than to women in a society where seed selection is 'women's work' (Deere, 1975).

Another reason for the observed low rates of adoption is the opportunity cost of human time. For example, this was a limiting factor for some groups of peasants in the Puebla area, Mexico. The new agronomic practices, besides being labour using, also required that peasants participate in learning and organizational activities which also were time

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<sup>1</sup>The author (Benito, 1976a) has investigated this type of behaviour among peasants of the Puebla area in Mexico.

consuming.<sup>1</sup>

Modern technologies which are biased against peasant crop systems are adopted at a lower rate by some groups of peasants. For example, the corn-bean combination is popular among Mexican and Central American peasants. It allows a joint production of energy and proteins together with staples used as forage for animals. These animals are either sources of power - as in the case of oxen - or sources of proteins - as in the case of poultry and milk cows. That is, the combination of corn-bean is a part of an organic system of production and consumption. However, many modern agronomic practices are developed for single crops as corn or wheat alone. The improved seed varieties of these single crops, combined with higher rates of chemical fertilizers, produce higher yields but at the cost of smaller plants which are less appropriate to support the weight of bean plants and also yield less staple. This single-crop orientation induces an exchange-value orientation of farming in place of the use-value orientation of traditional practices. A market orientation becomes less attractive for groups of peasants with limited access to modern inputs, outputs, and credit markets. The additional transaction cost is perceived larger than the prospective increase in family income. In addition, market operations are riskier than home- or village-oriented operations because of price variations and unstable supply of modern inputs. In the perception of peasants, prospective cash income is discounted by a risk factor. Some of these limiting factors were found in the Puebla area.<sup>2</sup> For this reason, the Project Puebla, besides communication, provided organizational help to reduce transaction costs of peasants. However, in a second stage, it was also decided to develop technological recommendations for the corn-bean combination.

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<sup>1</sup>In *minifundia* economies peasants are part-time farmers who need to supply labour services in exchange for wage rates to make up for the difference between family consumption needs and net farm income. If the modern agronomic practices are labour using (e.g., it requires more labour services per unit of land or requires participation in organization of credit groups), *ceteris paribus*, a peasant will adopt this practice if the increase in expected net farm income (discounted by a risk factor) as he perceives it is larger than the decrease in wage earnings. The additional number of days required by the modern practices (for chemical applications, weeding, and organizational meetings) may not be larger than the number of days being supplied to off-farm employment. However, if the peak demand for labour on the farm coincides with the seasons when employment is available, or if employment is not divisible, a peasant will likely choose to maintain his employment. Another alternative for a peasant would be to become a farmer who hires labour services, but this is usually constrained by his lack of savings or credit. Most modernization projects supply credit only to buy modern inputs (Benito, 1976a).

<sup>2</sup>Limited access to output market was not an important factor thanks to the operation of CONASUPO, a national marketing agency (CIMMYT, 1974).

Welfare impacts of modernization: Under conditions of functional dualism, the bulk of a peasantry has a position of dependence with respect to commercial farms or large traditional estates; e.g., in many Latin American countries they integrate a *latifundia-minifundia* regime. The dependent peasantry in these areas is usually formed by two subgroups of peasants. One subgroup controls very small holdings (*minifundia*) and, being unable to produce its total subsistence income, supplies labour services to the commercial farms or estates in exchange for wage earnings (in cash or in kind). Another subgroup controls larger holdings which enable them to generate net farm incomes at about the level of family needs; but, as they control the land through tenancy or sharecropping agreements, they have to pay a rent in cash, products, or labour services to the landlords. Together with the *latifundia-minifundia* regime is also found a regime of small independent farmers; it is integrated by those peasants who own their land in property, but the size of their landholdings only allows them to generate a net farm income of about the level of the family needs.<sup>1</sup>

Under conditions of dependency in the long run, the dominant groups can control rural wage rates and the terms of land rent agreements to maintain the same level of peasants' subsistence income. If, under these circumstances, the diffusion and adoption of modern practices increase the farm productivity of dependent peasants, it is not necessarily true that the total family income will also increase. As net farm income increases in the long run, wage earnings will decrease too by a similar amount (for *minifundistas*), or rent payments (in cash, products, or labour services) will increase by a similar amount (for larger but still dependent peasant farms).<sup>2</sup> One policy implication is that under conditions of dependence, the realization of the goal of increasing absolute peasant incomes by means of modernization projects needs to be complemented with other policy means to prevent a larger rate of surplus extraction by the dominant groups.

Rural development projects are likely to have a more positive impact on the welfare of small independent farmers. However, the final absolute incidence will depend on the national food policy. If the overall national goal is to develop an urban labour force for a modern

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<sup>1</sup> Both dependent and independent peasants rely on family labour and are not investment oriented. They occasionally hire labour during peak periods, but the ratio between demanded and supplied labour is always small in relation to commercial farms or large traditional estates (Benito, 1976b).

<sup>2</sup> One standard and critical assumption of the conventional neo-classical economic model is that economic agents are independent. Under this assumption, these models predict that modernization projects will increase total family income (net farm income plus wage earnings). For example, it is argued that a land-saving and labour-saving technology will increase yields and will reduce the labour supply. If the demand for labour is not completely elastic, wage rates will increase too. Therefore, total family income will increase. The proposition of this paper challenges the empirical validity of the assumption of "independence" for some areas and social groups.

industrial enclave, a policy of *cheap food* is likely to prevail. In this case the increments on farm productivity, such as food surplus, will be transferred to the modern sectors.

The above analysis illustrates the limitations of land reforms and modernization projects as isolated means for overcoming rural poverty and increasing food production. The ultimate effects of these means are conditioned by the nature of the agrarian regimes within which they operate and the exchange relationships between the agrarian sectors and the urban-industrial sectors. In turn, these factors are also conditioned by the position of the national formation within the international economic order.

Now we turn to the investigation of a new alternative for rural development.

## II. Toward a Rural Way of Development

Humanity has arrived at a historical period where the nature and dynamics of a single world process of production dominates all the spheres of life - political and cultural - across industrial advanced areas and the Third World. This process has been transforming the structure and position of traditional institutions and developing modern ones in a way such that the fields of meanings and operations of individuals and social groups tend to become functional to the reproduction of the same economic process. Therefore, without a wholistic vision of man, society, and nature, it is difficult to generate actions which do not reproduce the same conditions that explain unequal development.

Since social and individual life has become dominated by the nature and dynamics of a production process, an alternative path of development - functional to the unfolding of each and every man - can only result from an intentional movement generated outside the logic of such a process - through a *liberating development*. Let us now investigate the contingencies of an alternative path in the rural areas of Latin America and the Caribbean.

### Development through Self-reliance

In the socio-economic rhetoric of the last thirty years, development within Third World countries was viewed in terms of contributions of traditional sectors (peasantries and artisan industries) to industrial growth in modern urban centres, i.e., transfers of labour and food surplus from rural to urban areas.<sup>1</sup> Little attention was paid to the distribution of the welfare gains of this industrialization process for it was assumed that the trickle-down effects of growth would benefit the 'behinders'. This was the ideology of the normative *dual model* of development.

The socio-economic reality of the last decades indicates that the manufacturing sectors of many Third World countries are growing but also indicates that rural and urban poverty are still widespread

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<sup>1</sup>The dual models of development were intended to illustrate the process whereby growth can be generated (Jorgenson, 1961; and Nicholls, 1963).

phenomena and that the other tendency for food production is stagnation.

The rural way of development instead proposes a reversion of the ongoing process. Peasants shall be helped to stay in rural areas, and technological and organizational resources now controlled by the social groups of the urban-industrial sectors shall be reallocated to develop the economic bases of a regime of modern rural communities.

The rural way toward development is based on a premise and two propositions. The premise is that a vast majority of the world population still live in rural areas. The propositions are that (1) their liberation begins with their capability to feed and educate themselves and (2) social articulation and ecological balance are the ends, and economic growth is a means for development. Therefore, the pattern of transferring surplus from rural areas to urban areas shall be overcome. Technological and organizational resources shall be used to modernize the existing peasant economies, and through sectoral articulation and resource protection an industrialization for the benefit of all people shall be generated. That is, for this social philosophy, rural development projects cease to be palliative for the *hard-core poor* but a journey toward a superior type of life for everybody.

The strategy of a rural way of development is to implement a transitional agrarian regime characterized by an increase in the ratio between use value production and exchange value production until conditions of equal exchange between the agrarian and urban-industrial sectors are created. Three instances of this alternative mode of production are analyzed next - intermediate organizations, appropriate technologies, and integral consciousness. Finally, cultural action - as an operative and nonviolent way to develop the modern rural communities - is investigated.

### Intermediate Organizations

Intermediate organizations are those institutions which make possible a modern process of production which is socially articulated. This articulation is not obtained at a political superstructural level by way of macropublic policies but at local levels by way of a production process directly oriented to the satisfaction of basic peasants' needs. A large part of the production of intermediate organizations loses its commodity nature and simply becomes material goods (e.g., food and clothes), services (e.g., health care, education, recreation, and transportation), assistance (e.g., during old age and disability), and new knowledge (e.g., technical information and applied research) which facilitate the integral unfolding of concrete groups of human beings.

These organizational forms are here referred to as *intermediate* because they mediate between traditional institutions, such as families, and modern institutions, such as firms, banks, research centres, and bureaucracies. They also are called intermediate because of the scale of the productive process; their employment capacity is larger than in peasant households and commercial family farms. But they are not larger than what is necessary to maintain a direct and personal understanding of the basic needs of their members.

The scale of intermediate organization makes possible the adoption

of modern technologies which generates a process of accumulation not feasible within peasant households. In turn, the process is always oriented to the satisfaction of concrete and identified needs. These are not only consumption needs but also working needs, for working in itself is a need for the integral unfolding of man.

Specific forms of intermediate organizations are agricultural production cooperatives and other forms of group or collective farming. They embrace a continuum from communal ownership of land - but with individual farming and mutual labour exchanges - to communes and kibbutzim (Dorner and Karel, 1975). The viability of specific forms of intermediate organizations will depend on the nature of the overall social system of a country, the types of resources and technologies available, and the nature of the state of consciousness of the participants.

Some successful experiences with integral cooperatives in rural areas of Third World countries illustrate the productive potentials of intermediate organizations. One example is the Guanchias cooperative in Honduras. After a group of peasant families assumed the control of a sizeable amount of land, manpower resources were gradually allocated to the production of cash crops and of use values. The production of use values has followed the patterns of a sectorally articulated process on a small scale, i.e., developing forward and backward linkages which create successive needs for new jobs and needs for learning new skills. For example, in the area of food production (used mainly to satisfy needs of the cooperative members), forward linkages were created with the development of small-scale processing industries and backward linkages with the construction of implements and installations for a poultry industry (protein source). In the area of housing (for families of the cooperative members), backward linkages were developed with the internal production of cement blocks and cabinet making. In the area of education (for children of cooperative families), backward linkages were developed with the construction of school buildings and recreation facilities and, in turn, with the production of cement blocks and cabinet making.

Net farm income from cash crop production created the purchasing power to buy consumption goods and means of production which could not be produced within the cooperative organization. The production expansion of this experience is reaching a ceiling - one factor being the relation of unequal exchange between the cooperative and the rest of the organizations still existing. However, its performance illustrates important facts: one is that direct satisfaction of basic needs (rather than the 'promised land' of trickle-down effects of growth) is a viable and short way to overcome absolute poverty; and another is that the human ability to learn and to readjust to different job requirements is practically unlimited when there exists an interest in life.

Production for direct satisfaction of human needs is by no means an original organizational alternative but the oldest of them. What is new is the possibility of using modern organizations and technologies in productive processes oriented toward the satisfaction of prospective family needs (as in traditional peasant economies) rather than maximizing prospective monetary returns (as in modern production organizations).



Economic self-reliance does not need to be the ultimate goal and exclusive means of a rural way of development. Certainly, a part of the produce of intermediate organizations will need to be exchanged for the produce of other traditional, modern, and intermediate institutions. But, since the nature of dynamics of the production process will not be geared by the rules of capitalist accumulation, the terms of trade will have to be consistent with the goal of satisfying concrete human needs. More specifically, the structure of relative prices shall not reflect conditions of unequal exchange. At the social level this will require the development of marketing institutions and public policies affecting the price system as to reflect social rather than private benefits and costs; at the individual level this will require the development of new attitudes and habits orienting production toward an integral unfolding of each and every man. However, for some areas and during a transitional period, economic self-reliance appears as a brief road out of absolute poverty.

### Appropriate Technologies

An intermediate or appropriate<sup>1</sup> technology is an embodiment of quality attributes into material means of production which fulfill two conditions: (1) it is adapted to a desired organisational form, and (2) it is adapted to the factor endowments and environmental conditions existing in a given area. This implies a reversion of a type of modernization progress whereby a technological bias tends to reshape social relations and ecological balance for the sake of prospective returns independently of the prospective needs of peasant families. The diffusion effect of large scale mechanization in agricultural operations of many Third World countries is an example on how economic organizations and relationships between social groups are modified.

An intermediate technology favours the use of the most abundant resources available in a given region. This releases pressure on the balance of payments created through import of foreign-produced equipment. On the other side, it favours sectorial articulation through backward linkages.

The frontier of basic knowledge at this stage of history makes the generation and diffusion of intermediate technologies feasible. But its actual development also depends on a new intentionality. Although basic scientific research will likely follow the research lines determined within each discipline, its applicability and diffusion will have to follow specific social criteria.

One strategy for generation of intermediate technologies is to follow the stages of an adaptive process of rural development. This implies their development and diffusion according to (1) the initial environmental and organizational circumstances of a rural area, and (2) the desired type of rural regime to be developed. Although this strategy shall be specific to each area, the following example illustrates its character.

For areas with high population/land ratios, a first stage is making available land-saving and labour-using technologies. Green

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<sup>1</sup>For a further study of the notion of intermediate technologies, see Schumacher (1973).

Revolution types of technologies fulfill this requirement; and in this case, the research and training capacity of international research centres (e.g., CIMMYT, IRRI, IITA, and CIP)<sup>1</sup> are valuable assets. However, the application of breeding techniques and of modern agronomic practices will have to be reoriented. More research needs to be devoted to improve traditional production systems as crop combinations (e.g., corn-bean in Mexico and Central America) and shifting cultivation (e.g., in Africa). Furthermore, due to rising prices of chemicals caused by the world energy crisis, more study needs to be devoted for improving traditional means of soil development.

In a second stage of development, intermediate technologies for increasing labour productivity shall be made available. Capital-using technologies are socially desirable if they do not displace labour. The complementarity between intermediate technologies and intermediate organizations is necessary for this purpose. The example about the Guanchias cooperative illustrates the importance of small-scale technologies as concrete block molders, power carpentry tools, etc., in increasing labour productivity.

A third and more complex stage is making available intermediate technologies to build the economic infrastructures of modern rural communities, e.g., irrigation and road projects. A good example is large-scale land movements where high skilled organization combined with small mechanical implements and abundant labour is a feasible substitute for the capital-intensive process. Once again, this is another case where intermediate technology needs to be complemented with intermediate organizations.

### Integral Consciousness

The viability of an articulated way of development, besides new organizations and appropriate technologies, depends critically on a transformation of man - the development of new attitudes and habits. The necessity of this change is frequently ignored.<sup>2</sup> For example, many researchers of man and social reformers have advocated the development of new intermediate organizations among peasants and workers but based on a static view of man. The concrete efforts to organize collective *ejidos* in Mexico and the suggestions to revitalize the native communities of Peru are but a few of those idealistic projects. One rationale given for these projects is that, before the Iberian conquerors, peasants were adjusted to socialistic types of relations as indicated, for example, by communal farming practices. This argument is based on a static anthropological and social model. It ignores the fact that the original peasant communities of Mexico, for example, and Peru corresponded to a specific period of history. The group farming practices of the Indian communities and the tributary basis of accumulation in the Aztecan and Incan societies were consistent with cultures characterized by groupal modes of consciousness and associative cognitive styles. Under the groupal mode of consciousness, man did not

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<sup>1</sup> Centro Internacional de Mejoramiento de Maiz y Trigo (CIMMYT); International Rice Research Institute (IRRI); International Institute of Tropical Agriculture (IITA); and Centro Internacional de la Papa (CIP).

<sup>2</sup> For a survey about different views of economics and man, see Agosin (1975).

perceive himself as a separated and differentiated personality but as a functional part of an organic whole. Under the associative cognitive style, he did not perceive himself as a detached observer of nature but as another manifestation of a universal force living on a sacred place, the Mother Earth. Therefore, communal farming, workshops, and tributes to the religious and political ruling groups responsible for the society infrastructure and security were institutions coherent with a different man.

The new institutions introduced in Latin America through the cultural and political actions of Iberian conquerors and missionaries induced a process of *individuation* gradually dominated by a differentiative state of consciousness. As a result, each person or family had to stand alone in front of a personal and transcendental God and in front of individualistic landlords whose view of economic organization corresponded now to a person detached from nature and with a possessive sense of life. Certainly, the new tendencies imposed by the attitudes and behaviours of the military conqueror were mitigated by the religious ideas and practices introduced by missionaries who adapted Christianity to the views of life and the world of the native American man. They were also mitigated by a balance between the associative and the analytical cognitive style preserved in Latin cultures. That is, the road of individuation was lessened by a magic view of the world that still permeates many peasant communities. These cultural characteristics of many peasantries - together with the formal survival of traditional institutions like communal landownership - create the wrong image of societies prepared for modern communal life.

In peasant societies, like in the modern-urban societies, the possibility of nonviolent ways toward socially articulated and free societies rests critically in man's ability to transcend a differentiative state of consciousness. In the differentiative state, man perceives himself as separated from other men, nature, and the cosmos; identifies his individual being with his personal history; and dedicates his life to defend and assert the latter.

The necessity and possibility of unfolding an integral state of consciousness and of harmonizing associative with analytical styles of knowledge have been investigated by many researchers of the inner life (Gebser, 1974; Muñoz Soler, 1969). In this state man recovers his awareness of being a manifestation of the same current which permeates other men and nature.<sup>1</sup> His individuality is not tenuous, as in the groupal state, nor identified with a narrow personality as in the differentiative state. Liberated from the identification with a personality, the individuality becomes a field of meanings where man unfolds an ability to respond to the needs of humanity - he assumes responsibility not only for his personal history but for humanity and nature; he renounces to possess the life; he participates.

### Cultural Action

Education for liberating development: Indispensable for a nonviolent way toward an articulated and free society is a cultural action oriented toward the modernization of peasant societies and the liberation of man.

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<sup>1</sup>The ecological movement is an expression of a more expansive state of consciousness.

Those means of cultural actions specializing in research, training, communication of information, and organizational assistance are referred here as modernization projects; those geared to the unfolding of consciousness are designated as *conscientization* projects.<sup>1</sup>

In the rural way of development, two major groups of people come into contact - the peasantries and those committed to the work of liberating development. As it has been explained by Paulo Freire (1972), the communication process required for this encounter and the subsequent work needs to be based on *dialogue*. The transformation of organizations, the development and adoption of appropriate technologies, and the unfolding of consciousness cannot result from an assertive unidirectional process from an individual or group to another receptive group.<sup>2</sup> It needs to be the dialogue between two subjects mediated by the same reality. In a rural area, this reality is likely to be the material, social, and cultural conditions of a peasantry. Dialogical communication differs from the monologue of those modernization efforts where one subject (agronomist, extensionist, programmer, etc.) addresses himself to an object (the experimental plot of the agronomist or the *target* human group of the *operative*-minded social scientist). It differs, too, from the monologue of cultural manipulation where one subject (a dogmatic political activist or preacher) addresses himself to an object (the peasants) with the purpose of *transforming* it.<sup>3</sup>

Monological relations are expressions of the separateness of man and are necessarily violent at the moral or physical levels.

Combining conscientization with modernization is important at the social and individual level. At the social level, the work of social liberation and construction of an articulated social regime is tied to an income-generating basis. At the individual level, consciousness expansion is linked to a concrete work:

*One cannot change consciousness outside of praxis. But it must be emphasized that the praxis by which consciousness is changed is not only action, but action and reflection. Thus there is a unity between practice and theory in which both are constructed, shaped and reshaped in constant movement from practice to theory, then back to a new practice (Freire, 1973a).*

Many of the earlier aid-supported community development projects carried out in various Third World countries in the early 1950's were unsuccessful because they were not designed to expand the economic

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<sup>1</sup> *Conscientization* is a newly coined word translated from the Portuguese word, *conscientização*. It has been popularized by Paulo Freire (1973b), and its literal meaning is consciousness rising or consciousness expansion.

<sup>2</sup> Freire (1972) uses the image of *banking education* referring to the process whereby ideas are deposited in the minds of others.

<sup>3</sup> The idea of transforming ourselves (plain human beings working as social scientists, policy-makers, social workers, etc.) together with the others (plain human beings in the position of peasants, landlords, bureaucrats, etc.) can be a disturbing thought for a man with a differentiative state of consciousness. However, true scientific inquiry has always been grounded in the dialogue between knowledge and life; in physics, chemistry, and biology, the dialogue between the hypothesis and the experiment is the only acceptable road of knowledge.

bases.<sup>1</sup> Similarly, but at the individual level, work on consciousness which is not accompanied with participation tends to isolate the individual even more without necessarily unfolding his consciousness.<sup>2</sup> Indeed, consciousness expansion is the road to reality.

The transition toward an articulated society will not be a short way. The pressing short-run needs for food, as well as the long-run need of developing an economic basis, seem to give a priority to projects geared to adult populations. However, the great hope is the development of healthy and intelligent children. After malnutrition or undernutrition has affected their initial development and old attitudes and habits have been acquired, the conditions for oppression are once again recreated.

Although cultural action shall be oriented by a wholistic social philosophy, nevertheless, it will start under specific material and cultural circumstances. What is important is to have a leading wholistic idea to orient a specific work. The following is a historical example of how cultural action can be made operative.

One strategy for cultural action: The experience of the Puebla Project in Mexico illustrates well the possible complementarities between technological change, social innovativeness, and changes in attitudes and habits.

The Puebla Project is a modernization project based on a strategy which could transform it into a conscientization project. It was originally designed to increase corn yields among peasants with small farmholdings. The Puebla Project differs from the extension model at least in two aspects.

1. It has developed and practices communication means between researchers and peasants. This is important because in the Nordic extension model it is assumed that the farmer is searching for information, while in many peasants' societies peasants have to be induced to process the information. This is so because of the lack of linkage between the peasantry and modern credit institutions and input markets make it less profitable for peasants to search for information.

2. Acknowledging this transition cost of modernization, the Puebla Project provides organizational help together with information on agricultural practices in order to reduce such costs. Indeed, the communication and organizational elements of the Puebla Project may have been more important than the technological component. Any analysis of the adoption rates shows that they have been low (CIMMYT, 1974). However, this strategy for development cannot be evaluated only by the direct results on production but also by its potential to conscientize peasants and to promote social innovativeness. In this case the diffusion of a technology or the presentation of a service can become the material basis for an action oriented to create new intermediate

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<sup>1</sup> For references, see Ruttan (1975).

<sup>2</sup> For an investigation of participation as a dimension of consciousness expansion, see Muñoz Soler (1969), Chapter X.

organizations, to diffuse appropriate technologies, to establish a new exchange relation with the modern sectors, and to develop new attitudes and habits among peasants.

### Conclusions

Widespread rural poverty and a tendency of food production to stagnate are common phenomena to many Third World countries. The meagre results of the development efforts of the last quarter century demand the search for new alternatives. This paper addressed these problems under the premises of a wholistic social philosophy which is found useful for (1) understanding the causes of underdevelopment which are not regarded as a heritage of *traditions* but of the interplay between them and a contemporaneous world process of production and (2) finding a path of liberating development.

The first part of this paper, using a framework of political economy, briefly investigated the nature and dynamics of a socioeconomic process based on unequal development between nations, between agricultural and industrial sectors, and between peasantries and other agrarian groups. It also investigated the performance of land reforms and rural development projects as a means to overcome the conflicts that this process generates in rural areas. It is concluded that the effectiveness of these instruments in incorporating peasants into the process and benefits of modernization, as well as in increasing food production, is conditioned by the nature of the social regime within which they operate.

In the second part the normative dual model of development - city and industry oriented - was challenged. Acknowledging the historical and environmental circumstances of most Third World countries and based on a social philosophy affirming the integral unfolding of each real man as the ultimate objective of social life, a rural way of development was proposed. This way is geared toward the construction of a socially and sectorally articulated economy.

Three key elements for the development of these economies were investigated: intermediate organizations, intermediate technologies, and integral consciousness. Finally, cultural action (modernization with conscientization) as an operative, nonviolent work of implementing the rural way was discussed.

Two major propositions permeated this paper. One is that the ongoing social process is dominated by the economic dimension of social life. Another is that a change at the level of consciousness is necessary to reverse this process and to subordinate technical and organizational changes to the needs of humankind.

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## VOTE OF THANKS

B. Springer  
(*Vice President, Caribbean Agro-Economic Society*)

It is my role, on behalf of the Executive Committee of the Caribbean Agro-Economic Society to say thank you to those who have assisted with the preparation of this Eleventh Annual West Indies Agricultural Economics Conference and to those who have agreed to participate in one way or another during the conference week.

At the last conference, the Executive Committee was mandated to adopt a new approach to the Annual Conference with emphasis on the theme of the implementation of a specific project in the territory in which the conference was to be held. This new approach was a challenge to the Executive, but the experiment could not have been staged had it not been for the sympathetic response to our requests for financial support and for the fantastic cooperation which we received from a team of regional consultants at very short notice.

We wish to say thank you to the Ford Foundation, Christian Action for Development in the Caribbean, the Inter-American Foundation and Geest Industries Limited for their financial contributions to the preparation of the Case Study report, the basic working document which will be the nucleus for our discussions at this Conference.

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Michael White	-	Team Leader, Economist
Clarence Dunn	-	Agricultural Economist
Patrick Gomes	-	Rural Sociologist
Floyd Neckles	-	Agriculturalist
Roy Russel	-	Agricultural Statistician

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We are grateful to the many participants who have agreed to make a contribution to our deliberations during this week in the capacities of convenors, chairmen, secretaries and discussants for our plenary and workshop sessions. We recognise the presence of all participants as indicative of support for the new style conference and look forward to your contributions at the Conference which will develop the proposals in the case study report into recommendations for the development of the Geneva Estate, which will be acceptable to the Government of Dominica.

We are truly appreciative of the secretarial staff of Management Consultants Limited under the leadership of Mrs. Brenda Alleyne who will be responsible for secretarial and administrative duties during this week.

The Department of Agricultural Economics and Farm Management of the University of the West Indies, which was responsible for organising this conference series from its inception to the formation of the Caribbean Agro-Economic Society, has continued to provide substantial support to the Conference both by the presence of two ladies during this week to assist with secretarial and administrative duties and by accepting the very important responsibility of editing and publishing the proceedings of the Conference.

We are happy that our Guest Speaker, Dr. Benito, was able to respond to our invitation, with the kind assistance from Ford Foundation, to give a very stimulating address on Models for Rural Development in keeping with the theme of this Conference. We extend our sincere thanks.

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We thank you all.