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THE POTENTIAL AND LIMITS OF AGRICULTURAL SELF-RELIANCE IN GRENADA

by


September 1983 by Robert Thomson

A thesis submitted to the Faculty of Graduate Studies and Research in partial fulfillment of the requirements for the degree of Master of Arts in International Affairs

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THE POTENTIAL AND LIMITS OF AGRICULTURAL SELF-RELIANCE IN GRENADA

ABSTRACT

This study examines the problem of Caribbean food security using an analysis of class consumption and resources in Grenada to discuss obstacles to increased local food production and consumption while attempting to build a socialist society. The weaknesses of dependent capitalism and dependency and traditional Marxist approaches are reviewed and an alternative model proposed. Using data on food consumption and production and a historical sketch of internal and external class relations, the study shows that these three structures are inseparably linked; as witnessed by the fact that high income food consumption requires an increase in the land and labour needed to achieve self-reliance by two-thirds. The study argues that any attempt to reverse historical relations of dependency and exploitation requires that all three structures be changed interdependently. Further, it must be recognized that external opposition to socialist transformation in a dependent economy can make the costs exceedingly high.
THE POTENTIAL AND LIMITS OF AGRICULTURAL SELF-RELIANCE IN GRENADA

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CHAPTER ONE

INTRODUCTION: THE POTENTIAL AND LIMITS OF AGRICULTURAL SELF-RELIANCE IN GRENADA

The March 13, 1979 overthrow of Eric Gairy in Grenada by the New Jewel Movement (NJM) has added considerable impetus to the discussion of socialist transformation in the Caribbean. Taken together with the July 1979 victory of the Sandinistas in Nicaragua, these revolutionary changes have presented the possibility of an alternative path of development in Central America and the Caribbean. As a contribution to the discussion raised by these historic conjunctures, this thesis reviews the potential for socialist transformation in Grenada through an examination of the feasibility and limits of agricultural self-reliance in a small island economy.

This examination brings together an analysis of three major factors bearing on the question of transformation and agricultural self-reliance in Grenada: 1) class relations, 2) food consumption and nutritional needs and 3) agricultural resources for food production. Through these analyses it will be argued that agricultural self-reliance is a key element in Grenada’s efforts to overcome the historical drain of surplus from its economy and thus to accumulate and invest sufficient surplus to begin a process of self-reliant, auto-centred development. The complexities of such a process are considerable, as the data to be presented on class relations,
food consumption and agricultural production will demonstrate. In addition, the internal as well as external forces which oppose such a process of transformation are many.

The framework chosen for this analysis is influenced by the work of C.Y. Thomas of Guyana and Samir Amin of Senegal, both of whom advocate economic and social reorganization towards self-reliant (although not necessarily self-sufficient or autarkic) production based on mass consumption rather than export growth or import substitution (Thomas, 1974; Amin, 1977). This introductory chapter begins with an outline of the major strategies which have influenced Caribbean and Grenadian development policies. It will argue that the process of dependent capitalist development which has resulted from these policies has failed to meet the needs of the majority of Caribbean people. This critique is followed by the outline of an alternative model and then by a brief review of the arguments to be presented in each chapter to support the overall analysis.

In proposing an alternative model of development, there is an implicit assumption that the existing model of dependent capitalist industrialization, which has been the dominant pattern followed in the region, is inadequate to meet the needs of the Caribbean in general and of Grenada in particular. An outline of the main features of this dominant pattern is therefore appropriate here before suggesting an alternative.
THE FAILURE OF DEPENDENT CAPITALIST DEVELOPMENT

The failure of dependent capitalist industrialization lies in the subservience of the peripheral economy to international capital and a consequent inability to accumulate sufficient capital to develop local technological and productive forces. (Thomas, 1974:116) Thomas points out that:

dependency reproduces itself through the systematic generation of a certain type of manpower: people capable of assembling durable consumer goods, but not of designing them; people who sell, but do not design their own marketing strategy; people who produce, but lack any creative relationship to technology. Meanwhile, the petty traders, the landlords, and the indigenous businessmen cannot accumulate capital in sufficiently large amounts to develop local technological and productive forces even if they are inclined to do so. (Thomas, 1974:116)

The retention of locally generated surplus however involves more than simply redefining relations between local and international capital as implied by the Puerto Rican "model". It must also involve a redefinition of internal class relations and internal surplus flows which form the basis of the local economy and social structure. As a class, the petty-bourgeoisie which controls the state, commerce and what little industry exists in most Caribbean territories, have virtually no history or experience in matters of production. Centuries of socialization have limited their aspirations to admittance to government circles as good servants of the Colonial Office. (James, 1980:132-133) The bourgeoisie or plantocracy, where it has not been destroyed by international commodity recessions or the
predatory actions of local petty-bourgeois politicians, can only think in terms of export agriculture and the modernization of commodity production in the vain hope of reversing historically negative terms of trade. The semi-proletarianized rural population remains ideologically confused or ambiguous and thus unable to formulate and unite around their own political project. While subjected to the exploitation of capitalist relations of production via markets and intermittent wage labour in the estate or service sectors, they are nevertheless also dependent on land, family labour and non-capitalist conditions of production. (Harris, 1978:3)

The model of dependent capitalist industrialization put forward by the St. Lucian economist Arthur Lewis in the early 1950's sought a way out of this lack of an internal dynamic. Lewis argued that overpopulation with respect to the absorptive capacity of agriculture lowered wages and thus gave the region a comparative advantage in labour intensive manufacturing. (Lewis, 1949:passim) He further noted that the long term adverse terms of trade for Caribbean primary product exports versus manufactured imports required that new exports of labour-intensive manufactured goods be developed to stimulate more balanced growth and reduce the trade deficits which burdened the colonial administration. Lewis' major concern was for the generation of employment, which led him to propose that, given the lack of domestic capital and market connections (as a result of colonial economic strictures), governments should stimulate
foreign investment to provide the necessary productive structure to take advantage of these "unlimited supplies of labour". (Girvan, 1973:3)

This model came to be known as "industrialization by invitation", the prime example of which is Puerto Rico. It has left its mark on many island economies as they still compete with each other to offer incentives to foreign firms in the form of tax concessions, government-funded infrastructure and industrial parks, (including even factory shells), virtually unlimited repatriation of profits and labour legislation guaranteeing labour discipline and stability. (1)

The adoption of this model was closely linked with the aspirations of the petty-bourgeois leadership of the independence movement to become a national bourgeoisie. (Thomas, 1982:8) These aspirations fitted well with the plans of the colonial authorities, who wanted to transfer power to a dependable class and not to the mass of workers and peasants whose pressure in the 1930’s strikes had forced the introduction of a grudging, phased process of constitutional reform leading towards political independence.

The result of industrialization introduced by these policies has been increased economic and technological dependency. (Thomas, 1982:9) This was effected by relations with

(1) It also won Sir Arthur a Knighthood and the Nobel Prize in Economics.
foreign capital, unequal exchange in trade and a lack of technology transfer. Let us look briefly at each of these. The local petty-bourgeoisie's lack of experience in production forced them to link themselves with foreign capital and technology. Industry has been based on the assembly of imported parts, using a "screw driver" technology which creates few inter-sectoral linkages which could support autonomous, self-reinforcing growth. (Thomas, 1979:290) Regional integration reinforces this pattern, with CARICOM tariffs encouraging monopoly profits for local branches of transnational capital and protecting high cost, low value added, high import intensity manufacturing. (Thomas, 1974:108)

The loss of local capital to the centre has taken place through a number of mechanisms. In the case of foreign investment, especially with respect to transnational corporations, this has taken the form of overpricing, over-invoicing, underpayment of profit taxes, excessive royalties and fiscal incentives, and so on. (Girvan, 1970) Local savings were even affected through the domination of multinational financial institutions over the local savings-investment process. (Thomas, 1974:116)(1) Surplus was also drained away via the unequal exchange of commodities between developed and

(1) Canadian banks and insurance companies have played a significant role in this area in the past, although this has now declined. See Kaufman, 1983 for a good review of Canadian commercial banking interests in the Caribbean and Central America. See also Levitt, 1982 for an excellent overall review of Canada/Caribbean relations.
underdeveloped social formations. (Emmanuel, 1972) This drain of surplus was initially made possible by the reduction of commodity prices through ruthless use of servile forms of labour, reducing surplus in the periphery "and fixing their relations of production in an archaic mode of extra-economic coercion which retarded any process of social differentiation and diminished the size of their internal markets." (Leys, 1977:109) The subsequent uneven development of peripheral capitalism under colonial domination perpetuated this unequal exchange and thus the drain of surplus through creation of structural limits on the advance of technology, productivity and capital accumulation in the periphery.

The mechanism of unequal exchange in the Caribbean today is maintained in part by unequal income elasticity of demand between exports and imports. Caribbean exports of primary agricultural commodities have had a lower income elasticity of demand than the manufactured goods which they import. (Beckford, 1972a:197) Over time, as incomes increased, this differential in income elasticity caused the cost of imports to rise faster than export revenues, except in a few cases where the expansion of the volume of exports at a higher rate was possible. With respect to deteriorating terms of trade, Prime Minister Bishop recently noted that in 1972, one tonne of nutmeg would purchase an automobile, whereas in 1982, five tonnes of nutmeg had to be sold to earn sufficient foreign exchange to import the same car. (Caribbean Contact, September 1982:13)
Unequal Exchange and the dependent pattern of industrialization in CARICOM are also based on a monopoly of scientific advance and technological innovation by foreign capital. This new monopoly on division of labour is more concentrated and intractable than the old division of labour which relegated the periphery to a more overt role as primary export producers and importers of manufactured goods. Except in the case of strategic raw materials and certain agricultural products for which economical substitutes do not yet exist, this new division of labour allows the centre to relocate the production of certain industrial goods to the periphery. (Mansour, 1979:211) However, the more dynamic areas of production, where the rate of growth in productivity is increasing faster than the organic composition of capital, tend to be reserved for the centre, which thus maintains control over the process of accumulation. (1)

In addition, the emphasis on subsidization of foreign capital through incentives has promoted the use of more capital intensive technology with a consequently reduced impact on employment and the development of local technological capacity. (Thomas, 1979a:267) The downgrading of agriculture has led to an increase in, and therefore undervaluation of, the urban labour force and has created a severe strain on state services and

(1) See Leys, 1977:106 for a discussion of the debate surrounding the rate of profit and its implications for theory and political practice.
infrastructure. Industry and tourism have not absorbed the flow of labour from rural areas and the outlet of migration of the 1960s and 1970s is now largely unavailable due to the growth of the international recession.

Tourism has reinforced this pattern by following an import-intensive path to cater to the tastes of North American and European visitors. High foreign exchange leakages are the result. Racial and social tensions arise from this catering to groups which are culturally related to the former imperial powers. These tensions threaten the industry and, as the international recession spreads, encourage increased state repression in an effort to avoid disturbances which might reduce a highly volatile market share.

Thus, dependency on foreign markets and technology has persisted, despite Lewis' efforts to reduce it through alterations in the terms of trade through manufactured exports. The dominance of markets by international capital has ensured that these alterations could only be marginal.

THE IDEOLOGICAL RESPONSE TO THE FAILURE

The objective failure of the "Puerto Rican" model to provide employment and growth beyond a few enclave industries has led to the development of different streams of economic thought in response to the resultant social crises. The regional
integration movement, as one response, is based on the premise that increased market size and more consistent application and coordination of Lewis' recommendations will lead to stable growth. A second "school" focuses on the mechanisms of dependency and the external constraints on local development. Yet another trend is more explicitly Marxist and takes two forms: orthodox and neo-Marxist. The following section examines each of these approaches in turn.

Much of the thrust of the regional integration "school" has come from the neo-classical analysis of the limits of small West Indian economies by William Demas. (Demas, 1965) In his analysis, Demas maintains that Lewis' proposals have not worked because regional governments adopted only his industrialization policies, choosing to ignore his recommendations on agricultural transformation and regional, not simply national, industrial policies. Demas also argues that Lewis underestimated "the cumulative and self-reinforcing pattern of dependence which the uninhibited entry of the international corporation into the countries of the region brought about." (Demas, 1971:8) He notes that:

...the creation of a national economy with an independent dynamic of its own can be somewhat difficult, especially in the second half of the 20th Century, if an open economy with free trade, exclusive reliance on market forces and free access for foreign capital is used as the basis of economic policy. (Demas, 1971:26)

As Secretary General of the Commonwealth Caribbean
Regional Secretariat from 1970 to 1975 and President of the Caribbean Development Bank since 1975, Demas has had considerable impact on official economic policies in the region. Efforts to overcome the weaknesses of the "Puerto Rican model" have included attempts at regional coordination of investment and fiscal incentives, and increased national control over management and ownership of key sectors of the economy. They have also included promotion of cultural nationalism and at least a nominal commitment to agrarian reform and local food production. (Demas, 1971:28)

However, the results of regional integration have been less than impressive. About 57% of CARICOM's export earnings come from Jamaican bauxite and Trinidadian oil, and 40% from agriculture and tourism. (CARICOM, 1981: statistical appendix; World Bank, 1976: passim) Intra-CARICOM exports fell from 10.3% to 8.5% of total regional exports between 1973 and 1974. This trade has been dominated by four of the twelve member countries (Jamaica, Trinidad, Guyana and Barbados) which accounted for 96% of regional exports and 86% of CARICOM's population in 1974. Real incomes dropped some 40% between 1970 and 1980 while the lowest 40% of income earners received only 10% of national income while the richest 20% received about 55%.

As a result, critical observers have pointed out that "economic integration per se is not a panacea." (Brewster and Thomas, 1967) The measure of success in regional integration they
have argued, must be not merely movement towards regional self-sufficiency, but rather "a process of development which is initially geared to the regional market (which is protected by a common external trade policy) and which manifests itself in the growth and structural transformation of regional productive capacity." (Brewster and Thomas, 1967:332) The extent to which their remarks are relevant can be seen in the main criticism of CARICOM today, that little structural transformation has occurred, and corporate, rather than Caribbean integration has taken place. (Thomas, 1979:287-299)

Because these CARICOM policies have encouraged interdevelopment of regional capitalist markets, they have tended to maintain the dynamics of those markets and through them the international division of labour within the Caribbean. (Thomas, 1979:287) Changes in this division of labour have been brought about by the struggle of national bourgeoisies in peripheral capitalist formations against the domination of transnational capital at the centre. However, the demand for a new international economic order has amounted simply to a demand for a redistribution of surplus among competing national bourgeoisies. Moreover, while transnational capital may relinquish direct ownership, it still preserves control indirectly via technology, credit, marketing and management. (Thomas, 1987:17; Amin, 1977:12)

This failure of the neo-classical model put forward by
Lewis and Demas to either resolve or adequately explain the economic and social crises in the region has given rise to a more radical search for solutions. The dependency "school" in the Caribbean has advanced our understanding of the mechanisms of surplus extraction considerably beyond an initial recognition of colonial exploitation, negative commodity terms of trade and the stifling of local entrepreneurs and capital accumulation. By focusing on externally generated obstacles to Caribbean development, dependency theory throws much light on important internal structures, or, in some cases, lack of structures, which complement this external dependency. As we shall see however, this critique fails to completely recognize the class nature of these internal obstacles, thus hitting the correct nail, but "firmly on the thumb." Best and Levitt's study of plantation agriculture for example has added a historical perspective to the analysis of regional economics and the role of the plantation "not only in creating deformed, underdeveloped structures, but also in conditioning adversely the subsequent evolution of the economies where it predominates." (Best and Levitt, 1968)

Best and Levitt have shown how plantations dominated the economic structure of the Caribbean through links between the plantation, the metropolitan Merchant House which controlled it within a joint-stock trading company and, an African (and later Indian) labour force. Little, if any, economic exchange took place with other plantations, even in the same territory, with the result that production and consumption were virtually
divorced internally. Thus, no substantial internal dynamic or markets were possible to permit economic transformation and greater control over local economic surplus even after emancipation, and then political independence altered the economic environment.

Furthermore, this lack of an internal dynamic helped us to identify the reasons behind the failure of efforts to make regional integration a meaningful exercise. Intra-regional competition for the same historic preferential metropolitan markets for the same products (sugar, bananas, cocoa, and other tropical commodities) and the same sources of foreign capital have created political as well as economic obstacles to greater co-operation in the region. The external economic forces which have moulded the Caribbean's structural and institutional environment have also moulded the political and ideological climate which must be changed if a meaningful break from dependency is to be made. While several regional governments might be willing to attempt a confrontation with international capital to retain more of their economic surplus, the existence of many more petty-bourgeois politicians willing to acquiesce in order to receive "preferential" access to western credits and markets ensures that regional integration will continue to benefit transnational capital rather than the Caribbean.

Following on Best and Levitt's work, Norman Girvan has highlighted the role of transnational corporations in Caribbean
economies. (Girvan, 1970) His study of the Caribbean bauxite industry and Chilean copper have made a major contribution to our understanding of the mechanisms used to extract surplus from the regional and international economy by transnational capital. The structural legacy of the plantation economy noted by Rest, together with the vertical integration of the TNC precludes structural transformation in the Caribbean. (Girvan, 1973: 18)

A more sophisticated argument has recently appeared from this dependency "school" in the form of recommendations for the promotion of a dynamic comparative advantage for the Caribbean within the international division of labour. This would require considerable productive flexibility and advanced information systems which would permit small economies to take advantage of relatively lower economies of scale in the early stages of new technological development affecting commodities with which they have some experience. (Farrell, 1982: 14) For example, adequate intelligence on biotechnology might permit the Caribbean sugar industry to take advantage of advances in sucro-chemistry to increase the manufactured content of a traditional crop, and perhaps even reverse tradition ally negative terms of trade. (1) Even here though, its proponents recognize

that constraints on skilled human resources, inflexibility of the forces of production, lack of capital or access to capital, inadequate information systems concerning the external environment and the absence of external economies of scale, all make the achievement of such a dynamic comparative advantage exceedingly difficult. (Farrell, 1982: 24)

One of the main criticisms of dependency theory in the Caribbean has been its advocacy of localization or nationalization of control of the economy as a means of preventing the outflow of surplus. One cannot underestimate, nor should one denigrate the importance of local economic control of the current structure and institutions if a process of transformation is to be begun. However, Best and Beckford have tended to focus on the cultural, racial and related ideological elements of the social structure as targets for change and have thus downplayed the necessity of tackling the entire ideological, class and economic superstructure in all of its manifestations and in each Caribbean territory.

Failure to deal adequately with the realities of class obscures the mechanisms of capital accumulation which allow the state (and the petty-bourgeois sectors which dominate it) to reap the benefits of political independence and its effect on local appropriation of surplus. Local elites have been able to marginally improve their position (and in some cases the national position) vis-à-vis international capital, but have made no
efforts to change the system to generate an autonomous local capitalism, much less capture a significant share of the surplus generated by the national economy for the benefit of the entire population. A careful class analysis shows that the petty-bourgeoisie and bourgeoisie, unable to accumulate in order to grow as a national bourgeoisie, have turned to the state as a mechanism of class formation and not merely as an instrument of class domination. (Thomas, 1978:16)

The radical critique of dependent capitalism by this dependency "school" based on the severe conditions imposed by the social and economic crises in the Caribbean, has promoted the rhetoric of socialism in Caribbean politics. However, this critique has been grasped by the petty-bourgeoisie in many territories to support the extension of state control over the economy, but not socialist transformation. Care of course has been taken to declare this socialism "democratic" or "cooperative", so as not to unduly alarm transnational capital. The transnationals in turn tolerate this posturing since state capitalism and adequately compensated nationalizations of the Caribbean "mortgage-finance" variety do not threaten their overall control via technology, credit, management and marketing and do not eliminate capitalist relations of production. (Thomas, 1982:15). The petty-bourgeoisie have thus sought to increase their share of the available surplus in a transnational branch plant economy through the use of the state and national control or regulation of production. (Thomas, 1982:12)
Thus dependency theory has tended to confuse nationalism with independence. Its focus on external obstacles and failure to give sufficient weight to class forces has supported a new division of surplus, but without a change in the basic dynamics which permit continued control and thus profits by and for international capital.

The ability of this class to use the state in this way is possible because of the inability of any one social class to accumulate sufficient surplus and productive control to dominate all other classes. This gives an illusion of autonomy to the state since narrow shifts in alliances within the ruling petty-bourgeoisie gives the impression of "democratic" change under the Westminster parliamentary system. Although numerically superior and holding the franchise, the semi-proletarianized rural population of Grenada lacks an independent economic base on the land and remains ideologically confused. Lacking in class awareness, the "peasantry" supports the petty-bourgeoisie instead of developing its own political alternatives.

This ideological immaturity is aided by the promotion of "democratic" trade union structures and education in the Caribbean by the labour elite of North America and Europe.
(Scott, 1978) (1) This labour aristocracy at the centre has facilitated the spread of class alliances through its financing of research, training and organizational support for favoured trade unions and trade union leaders in the Third World, often with Western government funds. (AIFLD, 1977) (2)

The establishment of state control under the guise of socialism and the more substantial revolutionary changes taking place in Grenada and Nicaragua have led to an awakened interest in Marxist interpretations of development in the Caribbean.

THE MARXIST RESPONSE

The main features of the Marxist model lie in its advocacy of dispossession of the local bourgeoisie, who gather all surplus spared by the foreign connection, and the diversion of this surplus into investment instead of unnecessary consumption. (Mansour, 1979: 206) Production could be greatly increased inasmuch as a different economic management could mobilize unemployed resources (and unemployment) into productive activities. The uncertainties, lack of information and

(1) The enormous surplus extracted from the periphery has allowed the bourgeoisie of the industrialized centre to make sufficient concessions to their own working class to attract them to a social contract or to class alliances which defend the nature of the system while allowing some scope for negotiations over relative benefits. (Mansour, 1979: 222; Foster-Carter, 1974: 85; Engels, 1978: 676)

(2) For a description of how this support has affected the trade union movement in Grenada, see page 105 of Chapter Two.
co-ordination and unbalanced investment patterns in an atomized market economy would be replaced in a planned economy by co-ordination between projects, sectors, magnitudes and flows. (Mansour, 1979:207)

The process whereby this transformation from capitalism to socialism would occur has been subject to varying interpretations by Marxists. However, their analyses have taken two general forms, orthodox and neo-Marxist, although there are numerous and even some overlapping variations of each of these. While organized Marxist parties in the region tend to be heavily influenced by Cuba and Moscow, there is a strong tradition of independence in the Caribbean Left, following from the initially Trotskyite, now Humanist, Marxism of C.L.R. James and later finding expression in the neo-Marxism of Walter Rodney and Clive Thomas of Guyana.

Orthodox Marxist development theory flows from Marx's outline in Volume One of CAPITAL of the maturation of capitalism in Western Europe (Marx, 1978:438) and the inevitable development of socialism there by stages. Marx prophesized that the rapid pace of industrialization would quickly proletarianize the majority of the population. The growing concentration of capital would focus the labour process into co-operative forms, co-ordinating the use of the means of production and thus socializing labour.

Centralization of the means of production and socialization of labour at last reach a point where they
become incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated. (Marx, 1978:438)

The necessity of the Capitalist stage lay in its "historic" goal of transformation of scattered private property, arising from individual labour, into capitalist private property...a process incomparably more protracted, violent and difficult than the transformation of capitalist private property, already practically resting on socialized production, into socialized property. In the former case we had the expropriation of the mass of the people by a few usurpers; in the latter, we have the expropriation of a few usurpers by the mass of the people. (Marx, 1978:438)

A certain rigidity was imposed on this theory of successive stages on the path to socialism by the political process pursued in the Soviet Union following the October 1917 Revolution. In moving to legitimize the state and the Party as the dominant force of the revolution, both internally and internationally, Stalin created an ideological creed which justified every step of the most "progressive" regime on earth through the institutionalization of Marx's unilinear stages of development. (Shanin, 1983:20)

By dogmatically clinging to the necessity of a capitalist stage of accumulation, the orthodox or paleo-Marxists as Foster-Carter calls them (Foster-Carter, 1974:84) are locked into a Euro-centric view of history in which pre-capitalist forms had already ceded the stage to industrial capitalism. Socialism in one country and "war communism", made necessary by World War
One, the Russian Civil War and the defeat of the German workers (Ali and Evans, 1980:97), required a model of state legitimation, which produced a powerful ideological demand for unilinearity as the sole mode of explanation. (Shanin, 1983:20) The contradictions to be found in the peripheral capitalism of the Third World and Marx's "Asiatic mode" were thus banished by decree. (Shanin, 1983:21)

Recognizing the need to socialize labour, either through capitalist or communal modes of production, orthodox theorists have attempted to justify the capitalist stage by demonstrating the predominance of the capitalist mode and thus the futility of hopes for the revival of communal modes. In this vein, Warren argued that the objective conditions necessary for successful capitalist development are evolving in the Third World, as evidenced by rates of growth of industrialization and therefore of capitalist relations of production. (Warren, 1973:7)

Warren's argument fails to recognize however, that the development of capitalist relations of production must also be accompanied by the concentration and monopoly of capital in order to provoke revolutionary changes through their contradiction with the accompanying socialization of labour. (Marx, 1978:439) Warren's critics point out that the particular type of dependent industrialization being experienced in the Third World is incapable of developing to this point of contradiction because of the continued domination of accumulation by the imperial centre.
Orthodox theory fails to recognize the inability of capital to carry out its historic role on the periphery, thus relegating all hopes to some distant future when world capitalism will reach its ultimate contradiction and fall. This offers faint hope for the oppressed of here and now, who see the example of Vietnam, Cuba and Nicaragua, and demand theoretical and ideological support for their own concrete, local struggles.

In counter to this orthodox Marxism, neo-Marxist theories of development have attempted to come to grips with the co-existence in time and space of what were originally postulated as successive stages, particularly in the Third World. (Foster-Carter, 1974:74) It has been argued that:

A serious and systematic application of historical materialism does not mean the application of a ready-made formula taken from the texts of Marx and Engels, or Lenin or Trotsky or Mao Tse-tung, but the application of the method and conclusions to be drawn from such texts plus the practice of which they emerged and by which they have since been continually revised. (Leys, 1977:100)

In this approach, Marx and Lenin's writings have been used to open theoretical formulations which support the possibility of by-passing the capitalist stage. In particular, Marx's later writings on social relations in Russia are cited as evidence of Marx's own unease with simplistic, unilinear interpretations of Volume One of CAPITAL. (Shanin, 1983:15)

He (Marx's critic) feels he absolutely must metamorphose my historical sketch of the genesis of capitalism in
Western Europe into a historico-philosophic theory of the general path every people is fated to tread, whatever the historical circumstances in which it finds itself....
But I beg his pardon. (Marx, 1959:440)

In his letter to Zasulich in March 1881, Marx noted that the Russian commune (rather than capitalism) could conceivably form the basis for "Russia's social regeneration" (Marx, 1978:645), but only after a revolution had removed the pressures against it, thus allowing its corporate aspect and advanced Western technology to be put to new use under communal control. (Shanin, 1965:18) Engels in 1874 had also noted that such a transformation can only happen if, before the complete break up of communal ownership, a proletarian revolution is successfully carried out in Western Europe, creating for the Russian peasant the preconditions requisite for such a transition... (Engels, 1978:673)

This qualification, that is the existence of a proletarian revolution which could support a process which bypassed the capitalist stage, forms the basis for a variation of Marxist theory coming out of Eastern Europe and known as the Non-Capitalist Path. This particular theory is of special interest to this study since it is espoused by Cuba and a substantial number of the leftist parties in the Caribbean which openly declare themselves to have a Marxist orientation. (1)

(1) The more influential of these are the Workers Party of Jamaica, the People's Progressive Party of Cheddi Jagan in Guyana, and important elements of the New Jewel Movement in Grenada.
The theory of the Non-Capitalist Path was developed initially in Eastern Europe and was accepted as the "official" development policy of the Moscow-oriented Communist parties of Latin America and the Caribbean in June 1975. (Thomas, 1973:11) Much stress is placed on misinterpretation by Marxists of the supposedly inevitable necessity to develop productive forces under capitalism before being able to pass on to the more advanced stage of socialism. The theory notes: "that successive phases of development relate to human society as a whole and not individual national identities, which possess their own peculiarities." (Gonsalves, 1981:5) In Lenin's words: "With the aid of the proletariat of the advanced nations, backward countries can go over to the Soviet system and through certain stages of development, to communism, without having to pass through the capitalist stage." (Lenin, 1946).

Put very simply, the Non-Capitalist Path advocates a path to socialism based on an alliance of nationalist ("progressive") petty-bourgeois elements with the peasantry, the relatively undeveloped proletariat and even "the progressive patriotic elements of the emerging national bourgeoisie." (Gonsalves, 1981:2) Recognizing the generally undeveloped nature of the bourgeoisie and the working class in the Third World, the Non-Capitalist Path suggests that, where capitalist relations of production are non-existent or undeveloped, capitalism may be by-passed and the full scale construction of socialism begun. This construction was to be preceded by a period of socialist
orientation with assistance from the world socialist system.
(Gonsalves, 1981:2)

The existence of a revolutionary democratic or national
democratic state is assumed to oversee a period of socialist
orientation and anti-imperialism, during which relations of
production and the political, cultural and ideological structures
of society are gradually developed to strengthen the position of
the proletariat and the semi-proletarianized peasantry in
relation to the bourgeoisie.

There are two areas of criticism of the Non Capitalist
Path which need to be addressed here: one is its underestimation
of the links between the petty-bourgeoisie and international
capital as a result of its misleading assumption of the
underdevelopment of capitalist relations of production. The
second is its overly optimistic reliance on the world socialist
system for assistance in the development of the forces of
production during the period of socialist orientation.

It is in this area that the Non-Capitalist Path errs in
its translation of theory into practice. The assumption of
undeveloped capitalist relations of production is misleading when
the stage has actually been captured by the capitalist mode,
albeit with many contradictions and much unevenness.
(Leys, 1977:104) The implications for political practice are
considerable.
The absence of a dynamic, autonomous bourgeoisie and a developed proletariat should not be confused with the absence of capitalism or capitalist relations of production. As noted above, capitalist relations of production have penetrated deeply into the Caribbean social formation, although it is a peripheral capitalism which obstructs the local accumulation of surplus and promotes an unbalanced export/import economy. (Amin, 1976:73) The assumption that a dependent social formation can make the transition to a form with a socialist orientation and then to the full construction of socialism relies heavily on class alliances which are fragile at best where capitalist relations of production exist, even in the distorted form of peripheral capitalism. The confusion of petty-bourgeois nationalism with anti-imperialism which results from this inadequate recognition of the level of development of capitalist relations of production can lead to the promotion of class alliances in the struggle for a revolutionary democratic state which result in disaster for the revolutionary process. Underestimation of class awareness on the part of the petty-bourgeoisie can lead to vulnerability and betrayal if alliances are formed which (give them the greater share of control.)

(1) This theory of the Non-Capitalist Path assumes that a period when the state adopts a socialist orientation can create

(1) The 1980 electoral defeat of the People's National Party of Jamaica and the subsequent reversal of many reforms by the ultra-conservative Jamaican Labour Party of Edward Seaga was a good example of such a disaster. (Ambursley, 1981: passim)
the conditions for transition to socialism through a lengthy period of step-by-step reforms. (Ambursley, 1981b:441) In a situation where the class consciousness of the peasantry and working class as well as the national bourgeoisie has been considerably retarded under peripheral capitalism, no explanation is given as to how class consciousness can be developed while leaving the structures of scattered private property intact. The socialization of labor, necessary for socialist transformation, must come from either capitalist development, or communal (or cooperative) use of the means of production, neither of which conditions exists in Grenada today. Nor are these conditions likely to develop under a programme of democratic reforms, no matter how far reaching, without radical changes in relations of production which are themselves dependent on the subjective conditions of class consciousness. (Post, 1978:469; Ambursley, 1981b:442; Engels, 1978:673)

This underestimation of the level of development of capitalist relations of production creates serious problems for the development of the forces of production in another way. The current levels of external destabilization and economic sabotage of the revolutionary processes in Nicaragua and Grenada are clear indications of the "solidarity" between local and international capital. Thomas remarks that:

Little attention has been paid to the possible intensification of imperialist efforts to win class allies within these countries and hence the external impetus to heightened internal class struggles. ... The ability to pursue non-capitalist tasks is heavily
contingent on the ability to cope with economic sabotage and other dimensions of 'destabilization' as counter-revolutionary activities. This places a heavy premium on economic organization, management and strategy, areas where, to say the least, virtually no sustained analysis has been undertaken by Marxists. (Thomas 1976:21)

Even if one were to set aside this destabilization, one would have to ask just how much and what kind of capital is available from the Council for Mutual Economic Assistance (CMEA) to finance "primitive" accumulation in Third World socialist states during the transition phase. In the case of Grenada, the offer of scholarships, a certain amount of equipment and special access to alternative commodity markets cannot completely satisfy even the relatively small requirements of a tiny island economy. When one considers that existing infrastructure and consumption patterns are heavily dependent on western imports and technology, the limits of Soviet aid are even clearer. The geopolitical costs to Cuba and the CMEA of their support for Nicaragua and Grenada have been made exceedingly high by the Reagan administration. Combined with the repercussions for the USSR over Poland and Afghanistan and its own internal economic difficulties, these factors must certainly limit the surplus which can be spared from the socialist world's own internal requirements. It is no small wonder then that Fidel Castro has advised Nicaragua and Grenada to avoid the confrontation and isolation that Cuba has experienced and to seek a modus-vivendi with their private sectors. (Latin America Newsletters, 1981)
Beyond the question of availability of support for the development of productive forces, one must ask the question of what type of support can be expected from the socialist world to supplement local accumulation.

Thomas points out that:

...most of these societies are small, and the classic modes of socialist industrialization and agricultural development (based on the Soviet model) inevitably would encounter serious scale and resource problems.... It is therefore not altogether surprising to observe how closely economic strategy in the non-capitalist societies follow the classic colonial lines of primary export specialization on the basis of natural endowments and import substituting industrialization proceeding from the substitution of final products with the hope of inducing a backward expansion into the capital goods sector. (Thomas, 1973:26)

Thus Soviet aid could possibly create a problem of technological distortion which flows from resource scarcities reflective of Soviet or Eastern European (or even Cuban) conditions and not of the particular resources, labour, demand and needs of the Caribbean. For example, Cuban cement is cheaper than other Caribbean cement since, as an energy intensive product, it benefits from Soviet oil prices which are well below world levels. As a result, Cuban housing technology is oriented more towards concrete and brick than wood. If adopted in Grenada on a large scale, this could have considerable consequences for the development of a local housing industry with links to local forestry resources.

While a dependency on the technology of the
industrialized socialist world might not be easily compared to that created by western transnational corporations, this does not reduce the objective danger of distortions of factor combinations and costs to the overall process of accumulation and autonomous growth of the productive forces in independent Caribbean economies. In addition, some authors have pointed out that highly centralized and bureaucratic central planning requires control over sources of supply which is capable of producing dependency relationships. (1) These may not be dissimilar, at least in their impact on certain aspects of the dependent economy, to the dependency generated by Western imperialism.

It should be clear from the above discussion that neither capitalist, dependency, orthodox Marxist nor Non-Capitalist Path models of development offer Caribbean economies a ready alternative to their current situation of economic and social stagnation. Nor does the alternative model which will be proposed here offer a simple solution to these problems. The long-term resolution of structural imbalances and adverse terms of trade is only likely to be possible through a concerted effort which recognizes the highly uneven development of Caribbean classes and forces of production, and the complex social structures which support them. Such analysis is rare, while studies of the relations between national and international

(1) Barrett-Brown makes reference to the work of a dissident Czechoslovakian economist, Ota Sik, on the economic dimension of Soviet imperialism. (Barrett-Brown, 1972:47)
capital and on why socialism is necessary (as opposed to whether it is immediately possible) are in abundant supply. (Phillips, 1977:20) Let us turn now to look at an alternative theoretical approach to the problems and remedies of Grenadian development and underdevelopment.

AN ALTERNATIVE MODEL

Any useful framework for the study of Grenada must look at both the historical and current factors involved in its underdevelopment. Similarly, both external and internal conditions must be studied in order to identify not only the reasons for this underdevelopment, but realistic prescriptions for its elimination. As noted above, the framework chosen for this study is the analysis of Third World or peripheral social formations undertaken by C.Y. Thomas and Samir Amin. (1)

All social formations, including Grenada, are based on a social division of labour which has evolved over centuries, beginning with simple hunting and gathering societies with little specialization, and evolving into complex modern social systems in which economic surplus is generated, circulated and disposed of through a complex network of institutions, political power,

culture, ideology and class structure. Flows of surplus occur not only between classes within a social formation, but also between distinct, differently organized social formations. Since surpluses are produced by classes and disposed of by classes, the flow of surplus from one economic system to another within a complex international economic system cannot be studied without reference to class relationships within each system and across their borders. (Mansour, 1979: 199)

In the Caribbean, these flows of surplus have been studied and documented by a whole spectrum of nationalist, neo-classical, dependency and Marxist scholars and have been shown to benefit the metropolitan or imperial nations which have dominated or dominate the regional economy. Using various ideological perspectives, Caribbean authors such as Eric Williams, Arthur Lewis, William Demas, Lloyd Best, George Beckford, Norman Girvan and Clive Thomas have shown how the region has been deprived of the fruits of its labour through the domination of production for export. (1)

This external orientation of Caribbean economies is nowhere as evident as in food production. In the case of Grenada, the island produced some 59 million kilocalories of food energy in 1980, of which 61% was exported and imported 57 million kilocalories of food energy, for a total domestic consumption of 88 million kilocalories. (See Table One in Chapter Two and

(1) The works of these authors are listed in the bibliography.
Ministry of Agricultural 1980 export statistics) with respect to deteriorating terms of trade, the World Bank has estimated that Grenada's terms of trade decreased by 13% between 1975 and 1980. (World Bank, 1981:70)

As an alternative to the organization of production primarily for export, Thomas and Amin have proposed an auto-centred, self-reliant development model which is well summarized by Mansour.

The results would be to reorient agriculture from producing raw materials for the world market to the production of foodstuffs and needed local industrial inputs on the one hand, and to raise productive efficiency on the other hand. Industry in its turn would be required to produce basic consumption goods, in particular those needed to raise agricultural efficiency. Certain proportions and balance have to be maintained between respective rates of growth of industry and agriculture and of the capital goods sectors. In highly developed capitalist countries, the market mechanism can be relied on to introduce such marginal structural changes as are called for, though of course not without its particular type of crisis and penalties. In Third World countries, where fundamental structural changes are indispensable, no such role can be expected from the market mechanism. Central planning is required, not only to initiate and carry out these changes in a balanced way, but to initiate and carry them out at all. (Mansour, 1979:232)

It follows that only comprehensive planning, under democratic political and social control, can mobilize the forces of production now unemployed or geared to unequal exchange on international markets. The importance of democratic control lies in the necessity for broad participation in determining optimum levels of accumulation versus consumption. Although there are
likely to be substantial sources of surplus actually and potentially available for productive investment once control over production is exercised on behalf of the majority, the optimum level of accumulation is almost certain to be lower than that which is technically possible given the low levels of consumption, nutrition, health and productivity in the typical underdeveloped economy. (Thomas, 1974:130)

As Thomas notes:

...the greater the degree of democratic participation and willingness on the part of the community to absorb the social costs of transformation, then the higher the optimal rate of accumulation for the society. (Thomas, 1974:132)

In addition to the determination of optimal levels of consumption and accumulation, important decisions must be made about the appropriate allocation of the surplus available, in order to ensure structural transformation and the establishment of an internal material, economic, scientific, social and political dynamic. (Thomas, 1974:133) For example, an appropriate balance must be struck between local food production and industrial output which contributes to both basic consumption and productive efficiency. (Mansour, 1979:232)

The implications of such central planning are that the allocation of resources based on profit oriented cost-benefit criteria must be abandoned, as it merely duplicates existing price and income distribution patterns. (Amin, 1977:16) Other
fundamental criteria must be, found for resource allocation. The simple projection of existing demand as a basis for planning can only reproduce criteria of resource allocation and accumulation which duplicate existing unequal patterns of consumption, even if the forms of exchange and consumption change. (Thomas, 1974:20)

Further to this last point Thomas notes that, in addition to the generally recognized need to converge domestic resources and production with local demand, another fundamental criterion of allocation must be the convergence of demand with needs. These are Thomas' two "iron laws of transformation", the convergence of resource use and demand, and the convergence of needs with demand. (Thomas, 1974:passim) Demand has been considerably distorted by unequal income distribution, imported tastes and a myriad of colonial, neo-colonial and other dependency relations which affect the choice of products consumed in both their quantity, quality and characteristics. (Thomas, 1974:59) The data presented in Chapter Three of this thesis provides a clear picture of this divergence between demand and needs in the case of food consumption in Grenada.

This does not mean however that this model advocates a complete isolation from the international market. Amin cautions that:

...imposed autarky may also, if it is too drastic or total, hamper self-reliant development by involving extra costs which could in some cases be very heavy. For the point is not to reject any theory of comparative advantages, but only to note that if the international division of labour is unequal, the argument of
comparative advantage loses its validity. A country choosing the self-reliant and 'popular' path may find itself in a situation where it is relatively cheaper to import certain inputs needed to accelerate its development (such as energy in some cases, or certain raw materials, or capital goods) than to do without them. (Amin, 1977:16)

A major criticism of this model is the impression it gives of favouring autarky. The question of foreign exchange constraints is of course an important one since domestic surplus alone cannot provide the foreign exchange necessary to purchase inputs which cannot be produced locally. The planning mechanism must ensure however that the value of imported capital and operational inputs necessary for strategic import substitution be less than the value of imports which would have entered the country during the lifetime of the project. (Thomas, 1974:244)

There are certain to be problems of cash flow, particularly at the beginning of the process of transition, but again, the planning process can deal with these problems through the sequencing of investment, the judicious use of foreign aid and the incorporation of export earnings. It has already been noted however, that aid must support the development of an indigenous technology as the organic link between domestic resources and domestic need. (Thomas, 1974:246) Aid and trade cannot be permitted to create dependencies based on the considerable differences in size, technological efficiencies and resource availabilities existing between the industrialized nations (including those of the socialist bloc) and the Third World. (Thomas, 1974:247)
Clearly this faith in the rationale of planning risks being labeled as utopian when the strength of external factors is reckoned with. The nature and availability of foreign aid has already been discussed as a potential obstacle which may reduce the ability to plan the transition along these lines. It must be recognized then that external forces could well be a limiting factor in the application of this model.

A central factor in the creation of internal resource/consumption linkages is technology. The importation of technology and capital goods from either market or centrally planned industrialized economies determines the mix of factors of production used in local industrialization. As noted above, technology developed for these markets reflects vastly different resource constraints, factor costs and problems of development of productive forces which are of an entirely different order from the conditions found in the Third World. (Thomas, 1974:27) Appropriate technological models cannot be imported ready made nor necessarily found in the history of the industrialized centres, as the theme of intermediate technology sometimes suggests. (Amin, 1977:17) Industrialization in the centre was based on a revolution in agriculture in seventeenth century Europe, whereas industrialization in the Third World must enable an agricultural revolution to take place in the twentieth century. Thus technological creativity and adaptability are the issues, and not just technology transfer. (Amin, 1977:17) The problems created by the transfer of inappropriate technology and
the difficulties of avoiding such problems in Grenada's food industry are discussed in Chapter Three.

The development of technological creativity and adaptability can be misinterpreted to require an indigenous science and technology research and development capacity far beyond the human and financial resources of most small nations. This is partly due to the sophistication of modern high technology and the mystification of it encouraged by transnational corporations in order to preserve patents and oligopolistic markets. However, the interdisciplinary structure of modern industrial production has resulted in the open publication of much basic scientific and technological research in North America and Europe, making technical information accessible to anyone with basic technical literacy and sufficient funds to subscribe to the thousands of specialist and popular journals.

Further, where colonial and neo-colonial assumptions about limited local capacity to master the environment in peripheral social formations have been subjected to a healthy scepticism, it has been discovered that the range of critically minimum levels of production are often much lower than optimum levels. (Thomas, 1974:305) The test of feasibility with respect to self-reliance must consider whether the volume of output for local consumption can be attained and whether the opportunity costs of such production are not excessive. Feasibility cannot be
limited to a determination of whether the optimum level of output can be attained. Since the relative opportunity costs of self-reliant production are frequently overestimated as a result of such assumptions, further research on technological alternatives might not be pursued. Thus opportunities are bypassed which could generate local production at only a slightly higher cost, but which would expand internal demand and generate other external economies in other related industries. The importance of central planning should be obvious here, since individual industrial plans may not recognize such external economies.

In an important paper on economic factors favouring small-scale, decentralized, labour-intensive manufacturing, Vail cites a number of studies which show how unit production costs in some sectors (for example: small castings, machine tools, footwear, cement, diesel motors, and more) increase by only two to nine percent in plants with half of the optimum capacity. (Vail, 1975:23; Milberson, 1972:369) He goes on to argue that, since these studies were done on British industry which has evolved in response to factor prices quite different from those prevailing in the Third World, smaller scale technologies might even be superior with relatively cheaper labour and more expensive capital. Other studies show that the "elasticity of substitution" between labour and capital in several manufacturing sectors is such that a range of technologies and (by inference) plant scales can be used efficiently. (Paek, 1974:394) The
existence of a range of technologies which may make more efficient use of local resources in Grenada's food industry is thus possible.

The planning of resource allocation and technological choice under this auto-centred, self-reliant model is of course not a simple matter. The requirements of information and control and co-ordination of the forces of production are subject to many factors which are specific to the historical context and conjunctures of each social formation in which the model may be attempted. (Thomas, 1974:130) This means that there are no a priori formulas by which decisions can be made on optimal rates of accumulation versus consumption, or on the political process necessary for the determination of an acceptable level of social surplus and the social costs of transformation. The parameters of the former may be estimated in large part by economists and planners, but the latter requires a thorough analysis of the nature and focus of existing class struggles.

APPLICATION OF THE MODEL

In applying this model to the question of agricultural self-reliance in Grenada, the analysis of three major factors has been undertaken: class, food consumption and agricultural resources. The evolution of class relations is studied in Chapter Two and provides a basis for understanding the specific patterns of political power, culture, ideology and social division of
labour in Grenada and the flows of economic surplus which support that complex social formation. This understanding is crucial to the identification of those surpluses available for increased consumption and investment, and also for an analysis of the non-economic factors which affect the diversion of surplus from one class to others and from accumulation to unnecessary consumption.

The historical analysis of class relations in Chapter Two allows us to relate current structures of land use in Grenada to the political, economic and social factors which both created those structures, and have a profound influence on possible changes in land use under a programme of agricultural self-reliance. Class development must be linked with concrete data on the use of land on "peasant", estate and state farms as outlined in Chapter Four.

The analysis of food consumption in Grenada in Chapter Three presents an overview of current demand for food in Grenada, and the main factors which limit and structure that demand. It will be shown that a considerable divergence exists between nutritional needs and actual food consumption. Data presented in Chapter Three will be used to argue that the distribution of food consumption is greatly distorted by income distribution and that the resultant national demand structure for food has serious implications for the type and level of resources required to achieve agricultural self-reliance. As noted above, this
distortion of distribution, if extended into the planning process, will merely duplicate existing unequal patterns of consumption. (Thomas, 1974:20)

Chapter Four identifies the agricultural resources available for food production in Grenada and the limits on both their level and mobilization for agricultural self-reliance. The data on land use is discussed in relation to the effect of export agriculture and land distribution on agricultural productivity. It will be argued that the dynamics of international commodity markets promote the adoption of technologies which increase the productivity of capital, thus focusing on yields per hectare as opposed to energy or labour productivity. The question of land distribution is also analysed since the debate on relative efficiencies of small versus large farms is crucial to the planning process in any programme of agricultural self-reliance. Here again, this analysis is linked to the discussion of class relations since the distribution of factors of production which influence productivity, such as land, labour, technology and credit, are the product of Grenada's historically developed social structure.

Chapter Four concludes with an analysis of two sets of hypothetical land and labour requirements for agricultural self-reliance in Grenada. It will be argued that, based on the land use data provided and the consumption patterns discussed in Chapter Three, considerably more resources will be required for
agricultural self-reliance if a more equitable distribution of food is not attempted at the same time as increased local production.

In the fifth and concluding chapter, the three analyses of class, food consumption and agricultural resources are summarized and their implications for planning are discussed in relation to the alternative model of development chosen. The political as well as environmental, physical and human implications, it will be argued, constitute a formidable set of potential limitations on the prospects for socialist transformation in Grenada.
CHAPTER 2

THE EVOLUTION OF DEPENDENCY IN GRENADA

In the last chapter we have seen how development models based on export-oriented production and an over-preoccupation with economic growth to the detriment of other social goals have failed to retain the surpluses necessary to satisfy the needs of the majority of the Caribbean's population. An alternative development strategy was proposed to deal with some of the major problems of surplus generation and the difficult process of redirecting surplus flows to a larger segment of the population.

In this chapter, a review of the historical evolution of dependency in Grenada is presented as a prelude to an analysis of current class formation and social, economic and political development in Grenada. It will be argued that the development of classes in Grenada has been fragmented and uneven, with the result that cultural, ideological and structural obstacles endure which will resist the reorganization of the Grenadian social formation. The importance of this class analysis lies in its identification of the particular relations of production which underlie the generation of economic surplus in Grenada. Without an understanding of the basis for these flows of surplus, it would be difficult to redirect them along the lines advocated in the preceding chapter.

The size and direction of surplus flows between classes
in Grenada and, more importantly, between Grenada and other social formations, determine the development of the forces of production and thus of the potential for economic development in the society. (1) The development of Grenada's economy has been dominated by its interaction with the changing capitalist world economy over a period of three centuries, during which substantial surpluses have been transferred out of Grenada. This chapter attempts to synthesize the main features of Grenada's interaction with the capitalist world economy and the effect that this has had on internal development, particularly as it relates to agriculture. (2) This synthesis draws heavily on Wallerstein, Amin and Williams, who regard the Caribbean as an important element in the initial accumulation of capital in Europe and the world. (Wallerstein, 1980; Amin, 1982; Williams, 1944) The initial development of Grenada to provide raw materials and capital for European, particularly British, industrialization has influenced (and still affects) current development and places serious obstacles in the path of a self-reliant development strategy today.

Grenada's economic history can be divided into three general periods: slavery (1600-1838), the "free" labour era.  

(1) For a good review of the concepts of modes of production and their relation to the analysis of social formations, see Amin, 1976, pages 13-22.

(2) This chapter does not however pretend to be a rigorous analysis of the articulation of modes of production along the lines undertaken by Post for Jamaica. (Post, 1978)
(1838-1940) and the modern era (1940-1979). These three periods have been marked by the development of increasingly complex dependency relations in Grenada's links to the world capitalist economy. Foster-Carter has described this process well:

The slaves' former subsistence production showed considerable resilience, eventuating into a peasant mode of production in a highly contradictory articulation...with a capitalism itself enmeshed in contradictions: structurally dependent on foreign monopoly capital, and first striving to 'break' the peasant mode in order to be assured of labour supplies, then incapable of developing enough to make use of that labour once it did begin to present itself (in torrents; ultimately diverted into emigration), (Foster-Carter, 1978:234)(1)

The remainder of this chapter is devoted to a outline of the events, forces and actors which this process encompassed. Finally, a brief description of the new revolutionary era is presented as a basis for the comparison of revolutionary theory and practice.

THE FIRST PERIOD: SLAVERY AND PLANTATIONS (1600-1838)

Slavery, and the plantation system under which it flourished, have left perhaps the greatest legacy of all modes of production which have existed in Grenada. The subjugation of a large black workforce to the control of a small white colonial elite considerably influenced family, religious, educational and

(1) Foster-Carter is referring to Post's analysis of Jamaica in this particular passage. (Post, 1978)
psychological elements of the social structure. Race and class have been virtually synonymous until little more than a decade ago, and are still closely related. (Girvan, 1975)

The plantation system, the economic base of slavery, developed after an initial period of white settlement which developed on the basis of simple commodity production. Grenada was settled around 1650 by French colonists who grew tobacco, cotton and indigo as well as their own food. Their costs were high because of the necessity to maintain troops for defense from the Caribs, the original inhabitants of the island. (1)

While the Caribs initially offered to share the resources and land of the island, the French settlers wanted total control and possession. Therefore the Caribs began to resist the French shortly after their arrival in 1650, but were driven from the island in 1654. Those who were not killed chose to commit suicide at Sauveurs, or Leapers' Hill, rather than be captured or killed. However, they continued their incursions and sabotage against the settlers from other islands, making life expensive and even dangerous. In 1665, the last overextended private owner was forced to sell his interest in the island to the French West India Company (FWIC) and Grenada reverted directly to the French Crown in 1674 when the FWIC failed. (Devas, 1972:54)

(1) The Caribs could not be easily dislodged due to the mountainous terrain and the proximity of Carib strongholds in St. Vincent and Dominica.
The growth of demand for West Indian sugar at this time made cane a potential source of enormous profits. Since the original small farmers/settlers could not raise the substantial capital required for the importation of slave labour, the initiative for expansion passed to large absentee landlords who were able to secure land grants from the French crown. (EPICA, 1982:10) As a labour intensive crop however, the expansion of sugar production required far greater supplies of plantation workers than the jails, poorhouses and deported religious and political non-conformists of Europe, the original sources of labour, could provide.

In addition, European servants were expensive to transport, and expected land after their relatively short indentureships expired. African labour was cheaper and available in greater supply and for longer periods. European nations, which were just beginning to develop their own manufacturing industries, also feared that the use of white labour would eventually encourage the colonies to develop competing industries, instead of concentrating on agricultural production. Finally, Europeans found it easier to rationalize the sale and enslavement of blacks than their own surplus white population. (EPICA, 1982:10)

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(1) Africa also provided an outlet for cheap European manufactured goods, thus completing the well known "triangular trade." Ships sailed from Europe to Africa to trade manufactures for slaves and thence across the Atlantic to trade slaves for the "green gold" of the Americas, which was shipped to Europe for processing, where further profits were reaped. (Rodney, 1972)
The establishment of plantations linked completely to export sales and imports of all inputs dominated the colonial economies. Correspondence from Barbados in 1647 noted: "that they had rather buy food at very dear rates than produce it by labour, so infinite is the profit of sugar works after once established." (Williams, 1970:118) In Best's model of the pure plantation economy, each plantation was linked, both in its inputs and output, to a metropolitan merchant house, having few, if any, transactions with other plantations. (Best, 1968) The lack of structural independence, while considerably modified today, still exists and has a substantial influence on production and consumption, and thus on the potential for self-reliant food production in Grenada.

In Grenada, "King Sugar" penetrated more slowly and less thoroughly than in other territories. The basis for this weakness of sugar in Grenada lay in the unsettled political situation of the smaller territories of the Windward Islands and in the environmental inferiority of their rugged terrain for sugar cultivation in comparison with other colonies. These factors are outlined below.

Unsettled geopolitical conditions were the result of eighteenth century wars between the European nations which controlled the Caribbean. These conditions made inter-island sea lanes and thus markets insecure for the smaller, less fortified islands such as Grenada. Indeed France and England traded the
island back and forth between 1762 and 1783 in their efforts to dominate the lucrative Caribbean sugar trade. Between 1762 and 1779, British and Scottish planters bought out the French plantocracy. Their need for capital to pay for the inflated land prices led them to raise the absolute level of surplus extraction through increased repression. This in turn led to increased slave resistance and costs. Between 1779 and 1783, the French regained control of Grenada under the Treaty of Paris, and British planters were treated badly. Religious tensions between Catholics and Protestants spread over into colonial discrimination against British owned estates. On regaining control under the Treaty of Versailles in 1783, the British reversed this discrimination, persecuting the French Catholics and barring them from the political life of the colony. (EPICA:16/17) The bitterness between the French and British plantocracies and the confusion resulting from the trading of estates provided opportunities for the slaves to revolt, destroying or stealing crops, burning plantations and sometimes even killing the planters. These revolts considerably increased the costs of sugar production.

The planters constantly lived in fear of a generalized revolt which they might not be able to control. By 1795, some 28,000 slaves had been imported into Grenada and a small "middle class" of about 1200 "free coloured" had formed from planter/slave liaisons. Many of the "coloureds" had land and were effectively part of the French plantocracy. (EPICA:17) In 1795, a
leader of this class, Jules Fedon, led a revolt against the British by the French coloured and planter classes and a significant number of slaves. (1) The British, reinforced by troops from England and, with 700 of their own loyal slaves, defeated Fedon. However, sixteen months of rebellion left the economy in a shambles, with many estates destroyed. 7,000 of the 28,000 slave population killed and around £2 million in sugar works, livestock and crops destroyed. (Devas, 1972:173)

In addition to political instability, another factor slowing the penetration of sugar monoculture in Grenada was its rugged geography and small size. As soil fertility declined from the excessive cultivation of sugar, the smaller plantations could not compete with Cuba, Saint-Domingue (now Haiti and the Dominican Republic) and Brazil. The rapid expansion of Cuban and Brazilian sugar production, with the advantages of "new", still fertile soil, plantation railroads, up-to-date factory equipment and improved varieties of cane, considerably undercut British West Indian sugar production. Cuban production, half of Jamaica's in 1815, soared to four times the entire British West Indies' production by 1874 and thirteen times production in the French West Indies'. (Williams, 1970:367)

The rugged terrain also meant that marginal lands higher up were unsuitable for sugar. These were allocated to the

(1) Fedon, the son of a slave mother who had inherited his father's estate, was inspired by the French revolution of 1789 and the Haitian Revolution of 1791.
free coloured population for the cultivation of food crops. As will be argued further on, the development of local food supplies and markets modified the social structure in Grenada. Thus the rigidity of the division between planter and slave did not dominate Grenadian society for as long a period as it did in Barbados, where virtually no land was set aside for food crops. Sugar production required the extensive use of unskilled labour under close supervision and control which this rigidity facilitated. Where this control was reduced by alternative economic activities, sugar was not as competitive. Nonetheless, British imports of sugar from Grenada in 1773 were considerable, second only to Jamaica, and of greater value than British imports from her New England colonies, New York, and Pennsylvania combined. (EPICA:16)(1)

In addition to cheaper alternative sources of cane sugar, Grenada's plantocracy had to face competition from beet sugar production in Europe. European beet sugar production grew from two-thirds of Caribbean cane sugar production in 1859/60 to three-and-a-quarter times Caribbean production in 1894/95. While beets had a lower sucrose content than cane, the application of science, technology and capital allowed higher extraction from

(1) British industry developed on the basis of the processing and export of these raw materials from her colonies; textiles and sugar in particular. Since many exports went to "protected" African, Indian and other colonial markets under the mercantile system, they were paid for primarily in raw materials. Thus the expansion of British industry depended heavily on its ability to find and absorb cheap raw materials. (Williams, 1944:154)
beets. Beets offered other advantages as well. In rotation with other crops, beets increased cereal yields, were adapted to small holdings, provided large quantities of cattle feed and offered hope of reducing the drift from countryside to town through the development of European agriculture. (Williams, 1970:380) West Indian sugar production exceeded British needs by approximately 25% in 1831, with the surplus being sold in competitive European markets at a loss. (Williams, 1944:152) The subsidies and bounties thus paid to West Indian planters became unacceptable to Britain.

At the same time, the British West Indies monopoly, prohibiting the importation of non-British plantation sugar for home consumption, stood in the way of British industry’s search for cheaper raw materials. In the end, the need to decrease raw material costs became more important to industrial expansion than protected colonial markets for European manufactured goods, thus signalling the demise of protected markets for West Indian sugar.

Progressively stronger efforts to force a reduction in expensive West Indian sugar production were necessitated by the plantocracy’s reluctance to change their way of exploiting labour. After almost two hundred years of slavery, the plantocracy could only conceive of maintaining or increasing their profits through increased coercion, that is, by increasing the absolute rate of extraction of surplus. Technological advance under capitalism however, had made it possible to greatly increase productivity by increasing the relative rate of surplus
extraction. This required a switch in investment from human "capital", slaves, to tools, livestock and new factory and transport equipment on the plantations. It also necessitated free labour markets so that the new labour saving technology could be introduced without concern for the established labour force attached to the plantations.

Herein lay the conflict between planter and capitalist. With a heavy investment in human "capital", the plantocracy was reluctant to shift investment patterns to capital whose supply was controlled by the growing industrial bourgeoisie. Already indebted and limited in their ability to reinvest because of competition for alternative sources of sugar, the West Indian plantocracy feared loss of their share of the substantial surplus generated by the colonial trade as this readjustment in the relations of production took place. They resisted these changes through their control of the land and the inertia of a social structure fixed in its ways after two hundred years of slavery. (Williams, 1944: passim)

However, while the plantocracy was able to resist change in the West Indies, the transition from mercantile to industrial capitalism in Britain proceeded apace, weakening the political power of the plantocracy and its allied classes in Britain, the merchants and the landed aristocracy. When the interests of industrial capital gained the upper hand in Parliament, they legislated an end to the slave trade in 1807 and
themselves without labourers in 1852 when "they tried to abandon metayage and revert to wage labour." (Marshall, 1967:18), an indicator that the peasantry had a certain capacity to resist and negotiate.

The mercantile creditors to whom many estates were still mortgaged also had an interest in maintaining planter control over labour. They stood to lose their commissions for the sale of remitted export commodities (a lucrative addition to their interest) if food crops gained over export crops. Thus they were a serious obstacle to the implementation of the 1897 Royal Commission of Inquiry into the sugar industry which included recommendations for the expansion of food crop farming and land settlement for small peasant proprietors. (Williams, 1970:343)

Efforts to maintain control of labour after slavery aggravated tensions between the emerging, dependent peasantry and the plantocracy. The potential for unrest led the Colonial Office to foresee the need for "a useful middle class of yeomanry which would enhance social stability and internal security" through respect for laws protecting property and individual interests. (Marshall, 1967:19) Thus the plantocracy and their metropolitan backers were at odds with the Colonial Office as to the merits of metayage and the development of an independent peasantry. The planters never intended the system to be more than a stop-gap measure, to be dropped when sugar prices rose. Britain's efforts
space, however dependent, for a small class of "peasant" farmers. The development of this "peasantry" introduced a new, more complicated class structure to Grenada's social formation.

THE FREE LABOUR ERA (1838-1940)

The period following emancipation involved a transition from slavery to a mode of production which was neither fully capitalist nor completely tributary. The development of a dependent "peasantry" and an urban petty-bourgeoisie increased the complexity of Grenada's social formation, but in a manner which slowed the introduction of a specific capitalist mode of production. Indeed, it was during this period that the foundations were laid for the particular form of dependent or peripheral capitalism which dominates Grenada's social formation today.

Through their control of the colonial legislature, Grenadian planters attempted to ensure continued control over ex-slaves through laws covering freedom of movement, sale of land, vagrancy and unlicensed trade. They also created a new police force to enforce the new laws. (EPICA:22) However, despite the efforts of the plantocracy, a number of factors combined to cause a substantial exodus of ex-slaves from the plantations: the availability of small plots of fertile land in the interior, the possibility of emigrating to Trinidad and, above all, memories of the drudgery and violence of plantation slavery. In
the words of the *New York Times* correspondent, William Sewell, in 1859:

> the life of a field labourer has been made so distasteful to the peasant that the possession of half an acre, or the most meagre subsistence and independence, seem to him, in comparison with estate service, the very acme of luxurious enjoyment... (Williams, 1970:341)

At the same time, the small size of the island and the repression of the plantocracy did mean that the majority of ex-slaves were still effectively tied to "wage" labour on the estates. There were some 23,604 "new citizens" upon emancipation in 1838 (EPICA:26) and the alternatives to plantation labour were insufficient to absorb this large number. In addition, there were an estimated 1,600 free blacks, 1,500 free coloured persons and some 2-3,000 white inhabitants. Some 2,654 inhabitants were freeholders of land in 1846, only 10% of the population. (Grenada Handbook, 1946:40,43)

The collapse of markets for Grenada's more expensive sugar and the increased indebtedness of Grenada's sugar estates provoked major structural adjustments in Grenadian agriculture which eventually released more land to the growing "peasantry". Continuous monocropping in sugar had its cycles, and most smaller estates were heavily encumbered with debts incurred in the declining days of sugar. Credit was necessary to tide planters over the periodic crises resulting from market gluts, tropic disease, hurricanes, drought, labour mortality and rebellions, purchase of new processing machinery, and other vagaries of the
industry. Declining profits now made it impossible to repay these loans and new loans were required to continue production, pay interest charges, and to maintain absentee landlords. Moreover, the compensation paid to absentee landlords by the British government for emancipated slaves was absorbed in the liquidation of old debts and metropolitan consumption, instead of being invested in modernizing production as had been intended. (Marshall, 1965: 241) As sugar markets collapsed, estates were acquired by creditors until by 1855, 51 of Grenada's 75 sugar estates were owned by absentee landlords. (Marshall, 1965: 239) By 1856, 47 sugar estates had been abandoned in Grenada. (Grenada Handbook, 1946: 45) Many ex-slaves were only too pleased to exploit this situation to acquire land or tenancy rights from estates or parts of estates sold or mortgaged, to stave off the British creditors of the planter/merchant owners of the estates.

The scarcity of capital compelled planters to adopt a system which would allow them to pay wages in kind rather than in cash, a system known as metayage. This involved a form of sharecropping introduced in 1848 in an effort to tie ex-slaves to the labour pools of the plantations. With some variations, it involved the provision of a house and garden plot as privileges which allowed "free" labourers to grow food for their own use, together with a plot of estate land on which they were expected to grow export crops for the planter. They were also expected to perform some wage labour on other estate lands. (EPICA: 24) The introduction of these "privileges" was intended to tie labour to
the plantations, reduce the plantocracy's food import bill and to keep wages down.

Metayage was not the only modification of "free" labour which the plantocracy tried to introduce in its efforts to maintain strict control over labour. Between 1857 and 1862, some two thousand indentured Indian and three hundred African immigrants were brought to Grenada in an attempt to provide excess and therefore cheap labour to revive the sugar industry. (Grenada Handbook, 1940:45) However, the price of sugar was so low that Grenada was unable to absorb all the labour that was available. (1)

Changes in relations of production such as metayage and indenture were not the only result of the decline of the sugar industry in Grenada. In response to labour shortages and the resistance of freed slaves to the field labour required by sugar, a major shift in crops took place, particularly to the cultivation of cocoa and nutmeg which require less labour and were less affected by economies of scale. Cocoa production trebled between 1840 and 1855 and by 1881, cocoa exports surpassed sugar. Sugar exports virtually ceased by 1900. (Grenada Handbook, 1946:51)

(1) These adaptations to new conditions varied with local situations as well. For example, metayage became more prominent in St. Lucia and Tobago, since these islands had more "bush" land than Grenada, and had to offer greater incentives to keep labour on the estates. (Marshall, 196?:2)
Nutmeg was brought to Grenada in 1843 by West Indian plantation managers contracted earlier to help establish sugar estates in Britain's East Indian colonies. As a result of disease in the East Indian nutmeg industry in the 1850's, Grenadian production found a place in the world market, soon becoming the second largest export crop (with its by-products, mace) after cocoa. (EPICA:24)

This switch of production from sugar to cocoa and nutmeg was also the result of a lack of capital. Many bankrupt sugar estates in Grenada were sold at bargain prices to their local managers by the absentee owners. Lacking the capital to continue labour intensive sugar production, the new owners converted to cocoa production, letting out plots to tenant farmers under the metayer system. The tenants intercropped food crops with the tree crops and, when the latter began to bear, gave control back to the owner and normally received another plot on the same terms. (Smith, 1965:269) Even when estates were not sold off, the lack of capital resulting from now chronic indebtedness, forced the established plantocracy and absentee landlords to convert to cocoa and other labour saving crops.

While still tied to the estates by the planters' close control over the land and their ability to evict tenants and sharecroppers, the developing "peasantry" gradually managed to acquire some lower quality land from bankrupt estates broken up into small plots. For example, "two Grenada planters found
themselves without labourers in 1852 when they tried to abandon metayage and revert to wage labour." (Marshall, 1967:18), an indicator that the peasantry had a certain capacity to resist and negotiate.

The mercantile creditors to whom many estates were still mortgaged also had an interest in maintaining planter control over labour. They stood to lose their commissions for the sale of remitted export commodities (a lucrative addition to their interest) if food crops gained over export crops. Thus they were a serious obstacle to the implementation of the 1897 Royal Commission of Inquiry into the sugar industry which included recommendations for the expansion of food crop farming and land settlement for small peasant proprietors. (Williams, 1970:343)

Efforts to maintain control of labour after slavery aggravated tensions between the emerging, dependent peasantry and the plantocracy. The potential for unrest led the Colonial Office to foresee the need for "a useful middle class of yeomanry which would enhance social stability and internal security" through respect for laws protecting property and individual interests. (Marshall, 1967:19) Thus the plantocracy and their metropolitan backers were at odds with the Colonial Office as to the merits of metayage and the development of an independent peasantry. The planters never intended the system to be more than a stop-gap measure, to be dropped when sugar prices rose. Britain's efforts
to lower production costs through a forced reduction in labour supplies went directly counter to the planters' desire to maintain the status quo.

Despite the ideological arguments for "competitive" free trade, Britain had only practised it in the period from 1846 to 1898. Shortages of raw materials and balance of payment difficulties resulting from international recessions and world conflicts, necessitated a limited return to colonial protectionism despite the end of mercantilism. It was worth a slight premium in prices to maintain import quotas which effectively subsidized certain colonial commodity exports. This guaranteed a certain security of supplies and reduced balance of payments problems through the maintenance of Sterling-area trade when dollars were scarce. (McIntyre, 1966:167) A further incentive to protectionism was the British desire to restrict the industrialization of its colonies in order to maintain its protected market for manufactured goods. The colonial state was used effectively to discourage new avenues of production in the economic sphere and to block the development of an entrepreneurial class through its control of the social and cultural elements of Grenada's social structure. With a balance struck between pressures for modernization and limited protectionism, Britain sustained commodity production in its colonies and thus a continued drain of surplus.

While capitalist relations of production now favoured a
certain "independence" for the peasantry, the political system under the control of the planter dominated Legislature still attempted to restrict the independence of labour. (1) This contradiction led to social unrest which threatened the whole process of export production and therefore the surpluses of the dominant classes.

Reacting to this reality (and to the Morant Bay Rebellion in Jamaica) (2), the British decided to revoke "representative" government and to impose direct Crown Colony rule in Grenada. (3) The way was now opened for the "modernization" of Grenadian social structures through the creation of a middle stratum or class to reduce tensions between the extremes of planter and ex-slave. The key to the development of this new stratum was the weakening of the planters' political power through direct Crown Colony rule and the expansion of limited economic alternatives for the new stratum through the weakening (but not destruction) of the rigid plantation system.

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(1) "Representative" government in Grenada had meant, for example, the election of a 26 member Assembly in 1837 by 150 voters, 26 of whom were the candidates themselves! (Grenada Handbook, 1940:41)

(2) The Morant Bay Rebellion in Jamaica in 1865 resulted from a land dispute. Imperial troops had to be called in to suppress the Rebellion and hundreds of ex-slaves were killed and terrorized in a vicious effort by the plantocracy and its "representative" government to reaffirm their power. The Rebellion highlighted the inability of the plantocracy to adjust the political system to the new reality. (Post, 1978:34)

(3) Britain also wanted to federate its Caribbean colonies in order to reduce administrative costs.
However, Crown Colony rule was not established in Grenada until 1877, more than ten years after its implementation in Jamaica. This delay indicated the level of resistance from the Grenadian plantocracy, a resistance supported by the local colonial administration. (Emmanuel, 1978:30) While ostensibly mandated to act as a counterbalance to the plantocracy, in reality, the Governor and colonial officials had supported the plantocracy, while maintaining a type of divide-and-rule support for the growing coloured "class". As an example of this support, immediately following the Grenada Legislature's capitulation to Crown Colony rule in 1877, the importation of indentured labour (stopped after the Morant Bay Rebellion in 1865) was again permitted by the Governor. Grenadian planters assented to Crown Colony rule only after realizing that they would not be allowed to import further East Indian indentured labour unless the colony's constitution was altered to assure adequate protection of labourers by the Crown. (Emmanuel, 1978:30)

Thus while a new class of small farmers was encouraged to reduce tensions, there was never any intention on the part of the colonial authorities to allow the development of any kind of completely independent economic base which could seriously challenge the plantocracy or the colonial authority. Through their control of the legislature, trade and land in the colony, creditors, the plantocracy and the Colonial Office ensured that concessions to newly emerging classes were only made in such a
way as not to endanger their position of dominance. The land allocated for house and garden plots was carefully restricted to discourage economic independence and to ensure a relatively regular supply of labour for the estates. Land was only leased or contracted to peasant farmers if they agreed to grow export crops.

The availability of alternatives to the estate for the Grenadian peasantry continued to include seasonal and permanent migration to Trinidad and employment away from the estates in various trades: shopkeeping, fishing, charcoal manufacture, firewood and logwood curing in addition to cultivation on increasing portions of leasehold and freehold land. (Marshall, 1965:251) In addition, the construction of the Panama Canal, and work on Central American and Cuban plantations and in Venezuelan oil fields provided alternative employment. As the non-plantation economy expanded, so too did the demand for goods and services which were not dependent on the plantocracy and its metropolitan links.

Therefore, a small urban-petty-bourgeoisie developed to provide services to the expanding non-plantation economy. The economic bases for this class lay in the growing state bureaucracy (as teachers and clerks for example) and in commerce. Within the bureaucracy, a process of acculturation operated to ensure entry and advance to those educated local persons who met the criteria and requirements of the Colonial Office.
In commerce, the early development of markets in Grenada had been tied to small markets for produce, crafts, fish and processed foods. Slaves were allowed to produce food for themselves to lower estate expenses and imports and could market whatever surplus they grew on the highly restricted estate plots allotted for this purpose. These estate provision grounds were insecure however, as their size fluctuated with the price of sugar and the acreage devoted to sugar. This insecurity created a local marketing system closely linked to the subsistence economy. Production and marketing were kept within the family and were quite diversified in order to distribute risk and avoid failure which could mean starvation. Even as higglets (small traders) took over the marketing and distribution function in a more diversified economy, they bought small quantities of diversified produce from the peasantry to avoid the risk of market gluts or spoilage and threats to their own marginal incomes. (1)

Local markets were not only insecure, but also constituted a small proportion of overall commerce. Imports and their distribution were far more important than local markets and were controlled by urban merchants and metropolitan merchant houses closely related to the plantocracy. Grenada's social structures therefore ensured continued control of whatever

surplus could be earned from commerce by this merchant "class". Thus, while not completely dependent on the plantocracy, even trade and many services could not operate on a scale sufficiently large to generate surplus for an independent economic base for the growing petty-bourgeoisie.

Limited by this control of land and commerce, the large numbers of freed slaves had few local alternatives following the collapse of the sugar industry in Grenada. However, as noted earlier, emigration provided certain outlets for population pressure. Between 1891 and 1921, almost half of Grenada's population left for Trinidad, Panama, Brazil, Cuba and other parts of Central and South America. (1) The majority of emigrants were men between 15 and 44, indicating that the main stimulus to migration was likely to seek employment. Between 1911 and 1921, emigration actually exceeded the natural increase in population by a small amount. Comments in the Grenada census reports of 1901, 1911 and 1921 imply that low wages in comparison with Trinidadian and Central American employment, plus difficulties in acquiring local land for small farming, were the two main causes of emigration. (Harewood, 1966a: passim) The switch of the British navy from coal to fuel oil in the early 1900's also created jobs for Grenadian migrants as the Trinidadian oil industry expanded.

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(1) Net migration in this period was 23,400 out of an 1891 population of 53,209. This is likely understated since between 1901 and 1911, 21,700 left, while approximately 13,000 returned, for a net emigration of 8,780. (Harewood, 1966: passim)
Such was the exodus that remittances of £170,000 in the period 1911-1921 were sent back to Grenada by emigrants, somewhat reducing the hardships experienced as a result of declining exports and inefficient export agricultural production. (Harewood, 1966b:68)

Despite the relief offered by migration, the backwardness of inefficient plantation export agriculture could not generate sufficient production to maintain a still growing population in the face of falling real incomes. The collapse of metropolitan markets in 1929 lowered export commodity prices and caused severe hardship in Grenada, as in other Caribbean territories. Population pressure, planter restriction of land use and insufficient economic growth to absorb new labour led to the buildup and explosion of labour discontent throughout the Caribbean in the 1930's.

Despite these hardships, the rebellions did not break out as violently in Grenada as they did elsewhere. This lack of militancy was an important factor in the development of class tensions in Grenada—a factor that resulted in a balance of class forces in later years which made the Grenada revolution of 1979 possible. A number of factors explain this lack of conflict; in particular, the outlet of migration, greater agricultural diversity and a larger peasant sector.

An important factor also was the lack of contact with working class organizations overseas. The influence of militant
seamen in ports with international connections was important in other parts of the Caribbean such as Trinidad, Barbados, Guyana and Jamaica. (Harvey, 1982) However, Grenada's port had fewer international connections and this influence was not as great. (1) The stevedores of St. George's were urban workers and their lack of contact with rural areas slowed the penetration of trade union organization on the estates. As well, Grenada had the largest percentage of "peasants" and small farmers in its population in the Caribbean, a factor which, along with greater diversity in agriculture (both domestic and export) served to moderate the impact of the depression and reduce labour militancy. (Harvey, 1982)

An important element in the relative absence of violent confrontation in Grenada in the 1930's lies in the development of a moderate coloured petty-bourgeois anti-colonial movement in the period leading up to and following World War I. The coloured population had grown from some 1,500 in 1832 to 11,673 out of a total population of 66,032 in 1921. (Emmanuel, 1978:6) (2) Their leader and the ideologue of the movement for self-government was

(1) Waterfront workers led the first Caribbean strikes for union recognition in the early 1900's and were at the forefront of the rebellions of the 1930's. They had contacts with and support from the Garveyite movement and U.S. unions. (Hart, 1982: passim)

(2) The 1921 Census listed the following numbers for occupational categories which would have been largely "mixed": 305 estate managers, 108 merchants, 198 public officers, 236 teachers and another 41 persons such as physicians, lawyers, engineers and journalists. (Emmanuel, 1978:38)
a journalist, T.A. Marryshow, a founding member of the Grenada Literary and Debating Society in 1908 and the West Indian newspaper in 1915. (Emmanuel, 1978:40/48) Marryshow founded the Representative Government Association (RGA) in 1917 and linked the defense of the British Empire by West Indian soldiers in World War I to the cause of constitutional reform. (Emmanuel, 1978:49) As James has noted:

They became soldiers who were able to hold their own in the complicated techniques of modern warfare and the social relations that accompany it. (James, 1980:188)(1)

Having seen the situation of their counterparts in Europe during World War I, this group began to demand access to better positions and no taxation without political representation, as they felt was merited by their increased educational and economic status. Rather than focus working class militancy on industrial action, Marryshow’s approach was to work on legislative issues and political advance. (2) The political focus on constitutional matters and the number of elected members

(1) Marryshow was also influenced by Marcus Garvey’s Universal Negro Improvement Association in his early political career.

(2) Marryshow’s political action was influenced by a visit from Captain A.A. Cipriani of the Trinidad Workingmen’s Association in 1929. (Emmanuel, 1978:93) Marryshow’s championing of the returned rank and file soldiers following World War I paralleled the position taken by Cipriani, a French Creole cocoa planter and champion of Black soldiers’ rights, who was invited by its members to become President of the Trinidad Workingmen’s Association in 1919. Somewhat independent of the dominant British plantocracy and colonial authorities, Cipriani was able to take strong positions against them yet was not of the working class himself. (James, 1980:188; Hart, 1982:68)
in the Legislative Council (only five out of sixteen in 1925) allowed Britain to postpone and weaken the implementation of trade union legislation, especially with respect to legal picketing and the right to strike. (Hart, 1982:69) With their education and superior social status, this coloured petty-bourgeois class succeeded in forming the leadership of the newly formed trade unions. However, their concentration on politics resulted in a diversion of energies between industrial and political organization which ultimately weakened the struggle against the colonial authorities. (James, 1980:188; Hart, 1982:68)

As C.L.R. James has noted on the political role of the West Indian "middle classes" or petty-bourgeoisie:

Our West Indian middle classes are for the most part coloured people of some education in a formerly slave society. That means that for racial and historical reasons they are today excluded from those circles which are in control of big industry, commerce and finance. They are almost as much excluded from large scale agriculture, sugar for example. ... A West Indian politician talks about how much money he will get from the British government or from the United States. It is because the class from which he comes had and has no experience whatever in matters of production. ... As a class they have no base anywhere. ... They have no trace of political tradition. Until twenty years ago they had no experience of political parties or of government, ... for generations their sole aim in life was to be admitted to the positions to which their talents and education entitled them, and from which they were unjustly excluded. ... When they did get into the charmed government circles or government itself, they either did their best to show that they could be as good servants of the Colonial Office as any, or when they rose to become elected members in the legislature, some of them maintained a loud (but safe) attack on the government. ... They were not responsible for anything, so they achieved a cheap popularity without any danger to themselves. (James, 1980:132)
Marryshow's emphasis on political issues did however result in some limited progress in this period. In response to representations to the Colonial Office by the Representative Government Association (RGA), changes were made to the Grenada Constitution in 1925 to allow for a minority of five elected representatives in the sixteen member Legislative Council, based on a still severely reduced franchise dominated by property and income qualifications. (EPICA:27) These limitations were placed as a result of planter influence in the RGA, a reality forced on Marryshow and the more strongly anti-colonial elements of the society by the fact that any reforms required assurances to the British that "responsible" elements supported the changes. (Emmanuel,1978:53)

Elected as a representative under the new constitution in 1925, Marryshow soon ran into the frustrations that marked the long process of decolonization in the West Indies. Agitating for social welfare benefits in the face of the 1929 international economic crisis, he came into direct confrontation with a Government representing other interests and faced with declining revenues with which to "buy off" the Creole politicians. (EPICA,28)

Following a visit to Britain in 1930, during which he was influenced by the British Labour Party's strategies of mass organization, Marryshow formed the Grenada Workingmen and Women Association (GWWA). (Emmanuel,1978:92) In 1931, the GWWA led a
successful demonstration against a bill for increased taxes which the Governor had pushed through the controlled Legislature, forcing a postponement of the increases. The Association had been informally linked to the Grenada Labour Party (GLP) in 1930, and Marryshow was chosen as President General of the GWWA in September 1931. (Emmanuel, 1978:93) Although the colonial authorities passed a Trade Union Ordinance in 1933 following Marryshow's request to the Legislative Council for such legislation, it did not grant the right of peaceful picketing nor immunity against action in tort. (Emmanuel, 1978:97) Apparently acting on the advice of the British Trade Unions Congress and the Trinidadian labour leader Cipriani, Marryshow refused to have the Grenada Workingmen's Association registered as a trade union under this weak law. (Emmanuel, 1978:98)

Some progress was made in other areas as well. In 1933, the Grenada Cooperative Bank was established to provide credit for the low income sector of the population. Legislation concerning workmen's compensation and minimum wages was enacted in 1934. While he lacked sufficient political power to regularly influence legislation or finances, Marryshow's petty-bourgeois background also prevented him from providing the leadership necessary for a trade union confrontation. His belief in co-operation, not confrontation, and the coloured class' desire

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(1) This reflected Cipriani's influence on Marryshow and his view that political action was the priority at that stage of the country's history. (Ryan, 1972:37)
for a reformed franchise under which they would represent the poor, severely limited the political and economic potential of the movement. (EPICA:29) The depression of the 1930's made economic issues paramount, and the failure of the coloured class to provide leadership through the now legal trade unions cost them dearly in terms of mass support.

The GWWA/GLP's plea for a universal adult franchise was ignored by the colonial authorities, while their focus on constitutional change retarded industrial organization. Marryshow's base of support in the working class dwindled and the GWWA/GLP only elected 2 members (out of 7 seats) in the 1937 elections. Marryshow's own newspaper, The West Indian, (which he had sold in 1934) declared the GLP effectively "dead" in January 1937 and accused Marryshow of attempting to be a one man show. (Emmanuel, 1978:101)

As we have seen, this second period, from 1838 to 1940 led to significant changes in the class composition and balance in Grenada. The economic base of the plantocracy was considerably weakened, yet the new classes, a dependent peasantry and an urban petty-bourgeoisie, were severely limited in the resources available to them. The absence of an independent economic base which might have allowed one class to dominate all others would lead to the growing importance of the State as an instrument of class control and domination. The growth or stagnation of classes, especially the capitalistic class or
bourgeoisie, as we saw in Chapter One, has important implications for accumulation and the development of the means of production. In the following section, it will be shown how the struggle for class domination in the following period revolved largely around control of the State.

THE MODERN ERA (1940-1979)

In the preceding section, we have seen how the development of a more diversified economy after emancipation created new classes in Grenada. The dominant reality however, remained Grenada's colonial status and an economic system geared to production for export. In the absence of an independent economic base and the surpluses which it might provide the new classes (the peasantry and the urban petty-bourgeoisie), the social and political structures which evolved were fraught with contradictions and frustrations. In addition, international developments had a major influence on the amount of surplus available to support Grenada's internal social structure.

This period marked the beginning of a transition to the mode of dependent, peripheral capitalism found in Grenada today. As noted above, the clash between the planocracy and international capitalist agriculture had weakened the planters and restricted their development as a national bourgeoisie. Yet the new classes lacked the economic base from which to take
advantage of this weakness, thus creating a balance of class forces under which no one class was able to accumulate at the expense of others.

In this period, the growing economic power of the United States and the internationalization of the world capitalist economy provided a strong impetus for ever freer trade, and consequently, the reduction of colonial trade preferences. Accumulation of European and North American capital now dominated international production and trade, ensuring the continued transfer of surplus from the periphery of the world capitalist economy. This in turn restricted the internal accumulation of capital in peripheral social formations such as Grenada's. (1)

The maintenance of these surplus flows from the Grenadian economy was dependent to a large extent on the continuation of unequal trade relations. Thus commodity exports from the periphery had to be traded for manufactured or processed goods which had a higher elasticity of demand. (Beckford, 1972:197) However, the maintenance of commodity production in Grenada posed difficulties due to its inefficiency in comparison with other sources of raw materials for British industry. In an effort to reduce this inefficiency, a Labour Commission appointed by the colonial administration in Grenada in

(1) See Amin, 1976, for a good discussion of these developments in the world capitalist economy.
1938 had urged a transition from "feudalist" to "capitalist" modes of remuneration, the improvement of social services (especially health and housing) and greater agricultural credit, land settlement and marketing for small holders.

(Emmanuel, 1978:150) The Moyne Commission(1) - a British Royal Commission appointed to investigate social and economic conditions in the West Indies, made similar recommendations, focusing particularly on improvements in the social welfare system and on trade union legislation. (Lewis, 1968:84-94; Emmanuel, 1978:150-152)

It was believed that such a package of reforms would ensure the development of a stable labour market through several mechanisms. The reduction of semi-feudal tenancy rights would reduce peasant control over land and tools and give greater control over the amount and intensity of work required by capital to introduce new, competitive production techniques.

(Koslofsky, 1981:5) It was hoped that wage labour would increase labour mobility and end planter domination of tenants. This domination was achieved through the manipulation of non-monetary perquisites and privileges. It was hoped thus to facilitate the enforcement of standard labour legislation and conditions which would give greater control of labour by capital and lend some stability to the social system through the elimination of the

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(1) The Moyne Commission, named after its Chairman, Lord Moyne, visited the Caribbean in 1938-39, but its report was only published in 1945 after World War Two.
worst forms of exploitation. (Emmanuel, 1978:149) Also, it was felt that land reform would reduce the plantations' uncompetitive monopoly in economic and political matters, improve general welfare (and therefore internal markets) through increased income distribution, and reduce the stigma of plantation servitude which debased agricultural labour and reduced its supply irrespective of wage levels. (Lewis, 1977:48)

Concurrent with this move to monetize the economy, the Moyne Commission felt that some political democracy was also necessary in order to "avoid the mistake of endeavouring to withhold a concession ultimately inevitable until it has been robbed by delay of most of its usefulness and of all of its grace." (Williams, 1970:470) Thus began the now well documented process of phased constitutional liberalization which helped to develop a local petty-bourgeois elite to act as Britain's intermediary, while still retaining the essence of colonial or neo-colonial control.

The inadequacy of local production for the generation of surplus for investment and to pay for these reforms led to a heavy reliance on foreign investment in Britain's post World War II colonial development strategies. The quicker penetration of capitalist relations of production through rapid development of the oil and bauxite industries in Trinidad and Jamaica/Guyana spilled over to other territories such as Grenada through standard colonial "industrialization by invitation" policies.
Assisted by the decline of the British Empire following the War, American interests in the English-speaking Caribbean expanded. (1)

The ideological base for post-war development strategies was provided by Arthur Lewis, as discussed in Chapter One above. Lewis argued that surplus labour created a comparative advantage in labour intensive manufacturing based on foreign capital; hence his development of the now well known “industrialization by invitation” policies of this period (Lewis, 1949 & 1954).

An unspoken corollary to this was the development of a stable, “responsible” trade union movement which would co-operate in the development of industry. Therefore, the political prominence of West Indian trade union leaders gained during the labour rebellions of the 1930’s was a potential threat to this development strategy of “industrialization by invitation”. A strategy to weaken the links between politics and union organization was necessary if the plantocracy was to reduce worker militancy. Thus the AFL-CIO stepped in, along with the International Confederation of Free Trade Unions and its Latin American arm, the Organizacion Regional Interamericana de Trabajo (ICFTU/ORIT), the United Steelworkers of America and the British

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(1) Both oil and bauxite were strategic materials during the Korean War and the Cold War of the early 1950’s and the United States acquired several naval bases in the Caribbean, thus consolidating its military as well as economic presence. These bases were acquired from the British after World War II, in exchange for several old American destroyers.
Trades Union Congress (TUC), to play a major role in ensuring the development of "responsible" trade unionism throughout the Caribbean through training and organizational support for the new unions. (Craig, 1977:80; Harrod, 1972:passim) As we shall see later in this section, the role of a moderate trade union leadership in Grenada facilitated the control of rising worker discontent by the colonial state.

This growing unrest was a direct result of the frustrations inherent in the evolution of relations of production in Grenada. The 1940's had seen a constant erosion of the semi-feudal, non-monetary "privileges" of Grenada's peasantry and tenant farmers, without a concomitant rise in wages. With more money in circulation as a result of the "boom" of World War II, planters began to charge workers for formerly free "privileges", as had been recommended by the Moyne Commission. This lowered their real incomes, in some cases substantially. (Smith, 1965b:281)

The first example of this rising discontent in Grenada occurred in 1950. In December 1949, Eric Gairy, an ex-school teacher of peasant origin, returned to Grenada from the oil refining centre of Aruba in the Dutch Antilles, where his followers said he had been deported for labour agitation. Early in 1950, he successfully helped a group of tenants claim compensation for their eviction from an estate under the Tenants Compensation Ordinance, an Act which formed part of the
"monetization" of the economy recommended by the Moyne Commission. The estate had been sold to a British buyer who assumed he had bought it "unencumbered" by the peasants traditionally based there. (EPICA:36)

In July 1950, Gairy registered the Grenada Manual and Mental Workers Union (GMMWU) with himself as President-General and soon made claims for a 50% wage increase for workers in the factory and estates of the Grenada Sugar Factory Ltd. (EPICA:36) On being rejected by the company's management, Gairy called workers out on strike in a series of estates. The strike eventually spread to the entire island, and in February/March 1951, led to considerable violence. Estates were burned and looted, and non-striking workers were intimidated. Gairy and one of his assistants were arrested and this provoked road blocks and the shut down of the whole island economy. Only when the plantocracy and the colonial authorities agreed to come to terms with the GMMWU and Gairy was released, did the violence stop, and then only after a week of persuasion by Gairy. (EPICA:36/37; Smith, 1965b:283-287)

The violence of the 1951 strike took the plantocracy by surprise. They had assumed that political concessions to the coloured "classes" and the legalization of trade unions would reduce tensions. However, Gairy released the frustrations of the black "agro-proletariat" which had been largely unaffected by these reforms. As noted above, changes in the social structure to
accommodate new class formations (the peasantry, urban pettybourgeoisie and proletariat) had not changed the distribution of economic surplus in Grenada in any major way and the majority of rural agricultural workers and "peasants" remained desperately poor.

The frustrations developed by these contradictions led to political tensions which coincided with the British grant of universal adult suffrage in 1950. Taking advantage of his popularity as a defender of workers' rights, Gairy formed the Grenada United Labour Party (GULP) and won six out of seven seats in the Legislative Council in the first elections held under universal suffrage in October 1951. He quickly demonstrated however, that he was more interested in personal power than workers rights against capital. Four of the six candidates chosen by Gairy and elected in 1951 were pro-capitalist, and of 110 pieces of legislation enacted in the period 1951-54, only nine offered any benefits, however minor, to workers. (Jacobs, 1980:60) This seeming apathy to workers' interests plus a move by the planters to raise wages in April 1954 undermined Gairy's support. A second general strike called by Gairy in late 1953 had vague demands and failed because of Gairy's inability to coerce workers who were not union members into participating. (EPICA:39)

Here, the colonial tactic of divide-and-rule was used with considerable effectiveness. While relying on the working class for his political base, Gairy had many of the
petty-bourgeois aspirations of the coloured "middle class" discussed above, particularly a desire for social recognition from the ruling elite. Despite his political power, he was rejected socially by the plantocracy because of his colour, rural background and the crudity of his desire to show them who was boss. The brown, urban petty-bourgeoisie, anxious to put the stigma of slavery and blackness behind them, resented Gairy's having brought the black rural "proletariat" into a position of influence. This action threatened the cultural status-quo and the tenuous niche which this class was attempting to carve out for itself as the colonial authority retreated. Thus he was blocked from access to a broader political base and had to be content with playing the role of rebel, challenging the old order, but rejected by the classes with which he personally identified. Gairy was thus reduced to alternately taunting the law and compromising with the colonial administration in a schizophrenic effort to assert himself and to curry favour and acceptance. (EPICA:39) The estate workers, his political base, sensed his duplicity and Gairy lost one third of his support in the 1954 elections. (Singnam,1968:186)

This contradiction between the economic frustrations of the masses and a coloured or black petty-bourgeois leadership incapable of dealing with the roots of the problem, was to become a central feature of Grenada's political economy. The increasingly complex social structure now included new classes with claims to a share of the society's economic surplus.
However, the locally available surplus had been reduced through the drain of surplus via unequal terms of trade on international commodity markets dominated by foreign capital. The allocation of this surplus among Grenada's competing classes reflected the political and economic balance of the social formation. The plantocracy was unable to increase its share since it could not accumulate sufficient capital in order to increase its control and share of the means of production. The petty bourgeoisie, while secure in their control of petty commerce and bureaucratic and professional positions, lacked the capital and experience in production to improve their position with respect to the plantocracy.

The peasantry had developed a diversified subsistence economy which, while still dependent on wage labour, allowed it a degree of independence which reduced the control of other classes, thus preventing its complete subservience to others. The resilience of the peasantry was considerable. Never able to acquire sufficient land to provide for their entire subsistence (because of their inability to accumulate capital), they were forced to adopt mixed relations of production with roots in the metayer system described earlier. Their household economies were characterized by pluralistic economic activities and multiple family dependencies, including some or all of the following: subsistence agriculture, cash crop agriculture, fishing, wage labour in agriculture or other sectors such as tourism, industry or road works, migrant labour, petty commerce
and a whole range of kinship, village and neighbourhood networks of barter, shared labour, gifts, borrowing, remittances from relatives abroad and other mutual support mechanisms.

(Brierley, 1974: passim; Caribbean Development Bank, 1980: 2-54; CARDI, 1980: 55-62)

While still economically dependent, following the introduction of universal adult suffrage in 1950, the "peasantry" was able to influence political institutions because of its numerical superiority. The contradictions inherent in such a complex social structure however provided considerable scope for ideological and cultural control by the dominant classes which limited the political options of the masses.

Political and economic developments in Grenada throughout the decades following the 1950 elections strengthened dependent capitalist relations of production. As we shall see, this process prevented the growth of any one class to dominance over the others, and increased the role of the state considerably in the regulation of internal and external claims on the surplus generated by the Grenadian economy. The forms that this process took are outlined in the inter-related political and economic analysis which follows.

A natural disaster, Hurricane Janet in September 1955, provided the stimulus for the further development of capitalist trade and relations of production in Grenada. "Janet" destroyed virtually all of the nutmeg and cocoa trees on the island.
Bananas were introduced as a temporary crop to provide export revenues while the replacement cocoa and nutmeg trees reached maturity in a period of four to six years. Although the hurricane badly hurt the peasantry, foreign disaster relief and reconstruction actually created a temporary boom in the economy (EPICA:40). The introduction of bananas however, marked a new, more direct link with international capitalism in Grenadian agriculture through the marketing structures of the British/Dutch transnational Geest Corporation. (Labour Research Dept., 1978:5)

While nutmeg and cocoa were sold on international markets via producers' associations in Grenada to a large number of international buyers, bananas were marketed also via a producers' association, directly to Geest, which has a preferential British market and controlled the transport, ripening and wholesaling of West Indian bananas in Britain. With a monopsony buyer (Geest), and a banana growers' association controlled by the larger and middle-sized landowners, the way was paved for the introduction of capitalist agricultural technology to Grenada on a scale not previously experienced. While cocoa and nutmeg can be stored to wait for better prices, bananas have a very sensitive harvest/transport/ripening cycle which allowed Geest greater control in its role as a monopsony buyer. As a yearly crop, bananas require more regular attention to cultivate growth than do cocoa and nutmeg which are perennial crops.
These marketing arrangements further introduced capitalist relations of production into the daily lives of the "peasantry" through the penetration of the cash economy and unequal trade/exchange relations. Features of modern agribusiness capitalism began to appear in varying degrees and forms in Grenadian agriculture. They were limited however, first because of the difficulty of accumulating sufficient capital in competition on international commodity markets and second, because the rugged terrain and crops prevalent in Grenada made investment in mechanization and local industrial processing less profitable. Unlike sugar, Grenada's main export crops (cocoa, nutmeg and banana) require little processing to reduce transport costs to overseas markets.

Citing competition from tightly controlled Central American banana plantations, Geest began to dictate the conditions under which bananas were to be grown if they were to accept this perishable and delicate product for marketing to "the discriminating British housewife". The use of fertilizers, pesticides, plastic banana bunch sleeves, boxing plants and packing boxes was forced on all growers, large and small, thus expanding the cash economy and unequal trade/exchange relations. Centralized research and agricultural extension services provided via the "growers" association with Geest's assistance, promoted techniques which further strengthened capitalism, agricultural technology, spreading to other crops as well, since export tree crops are regularly intercropped, both amongst themselves, and
with food crops. (CCAR, 1978: passim)

As an example, transnational market control influenced agricultural research in the direction of improved capital efficiency. Thus cost reductions tended to involve modernization through the use of hybrid seeds, chemical inputs (fertilizers and biocides) and mechanization, all of which focus on increased productivity of land. For example, of eighteen banana cultivation practices recommended by the Windward Islands Banana Association (WINBAN), eleven involved chemical or other imported inputs which increased productivity per hectare. (Lefranc, 1980: 30) This is not surprising since WINBAN and the Island growers' associations, including the Grenada Banana Growers Association, have been heavily influenced in their technical assistance programmes by Geest, the monopsony buyer of bananas in Grenada and the Windwards.

Given this dominance over banana production through its position as a monopsony buyer, Geest was able to assure that profits were maximized in those sectors of the industry where it had actually invested capital. Thus Geest has profited from its ownership of the ships which carry bananas from the Caribbean to England and return with agricultural inputs (such as fertilizers, biocides and boxes) and other freight. (Labour Research Department, 1978: 2). In addition to transport, which has received 11.5% of the retail price of bananas, Geest has claimed another 19% for its ripening and wholesale distribution facilities in
Britain. (Clairmonte, 1975:33) The growers in turn have collected only 11.5% of the retail price, while the boxing, delivery to port and export process retained 26%. Through its control of transport and distribution costs, and the setting of the green market price in England, Geest has been able to control this division of profits to its own advantage.

A further consequence of the penetration of capitalist relations of production has been the concentration of land ownership in Grenada as seen in Tables Ten and Eleven on page 156 below. Limited by restrictions on mechanization and processing, yet driven by the logic of capitalism to accumulate, capital became more concentrated. The increase of productivity through economies of scale was one of the few outlets available to it under Grenada's particular variety of dependent capitalism.

As these economic forces transformed the Grenadian economy, increasing the share of surplus diverted to international capital, political forces within Grenada competed for control of the state, and through it, the ability to regulate the internal sharing of surplus. The particular class composition of Grenada generated only two parties following the introduction of universal adult suffrage in 1950, both of them led by petty-bourgeois elements. The ideological confusion of the peasantry and the working class, resulting from centuries of cultural and economic poverty, caused them to support that element of the petty bourgeoisie which seemed more likely to
defend their interests. The plantocracy, unable to support their
own party because of their numerical inferiority, opted to back
that petty-bourgeois element which seemed most likely to defend
their particular interests. Thus began a twenty year political
confrontation between Gairy's GULP and the Grenada National
Party.

Following the failure of his 1953 strike call and his
political vacillation mentioned earlier, Gairy lost some of the
control he had over his political base which had been maintained
through the patronage of his union hiring hall. Alternative job
opportunities presented themselves in the expansion of "peasant"
banana production, employment in hurricane reconstruction
projects and continued heavy migration of the rural poor to
Trinidad and Britain in the mid-1950's. (Singham, 1968:55) Gairy's
legislative record could not have impressed the rural poor
either. Of eighty-three laws passed by the 1955-57 Gairy
administration, only one could be said to have had "working
class" interests at heart. (Jacobs, 1980:61) Having taken his
rural constituency for granted and having lost many voters to
migration, Gairy was defeated in the 1957 elections by the

Under the G.N.P. administration however, the workers
received even less support. The net incomes of planters rose by
some 170% between 1957 and 1960, while workers wages only went up
by 15% and the cost of living rose by 6%. (Jacobs, 1980:69) The
share of Grenada’s money in circulation held by the “working class” (80% of the population) dropped from 49.84% in 1957 to 41.5% in 1959, while the plantocracy’s share (perhaps 2% of the population) rose from 12.83% to 23.87% in the same period. In 1960, only 56.6% of the labour force had been employed for the full preceding twelve months. (Singham, 1968: 62) At the same time, reorganization and capitalization of the Caribbean oil refining centres in the Dutch Antilles and Venezuela reduced outlets for migration and even created a reverse flow of returning migrants. (Singham: 71; NACLA: 7)

As the party in power, the G.N.P. was identified with this period of economic decline. The resulting discontent returned Gairy to power in 1961, under a new (1960) Constitution which gave the now wholly-elected Executive control over finances. After 15 months, the conflict between Gairy and the colonial Administrator over finances and style of government resulted in the suspension of the Constitution by Britain. Gairy was dismissed following an enquiry into corruption and misuse of government funds known colloquially as the “Squandermania Report”. (1)

(1) See Singham, 1968 for a complete treatment of the factors behind this conflict, which involved not only accusations of corruption, but also fundamental contradictions within Grenada. These contradictions reflected the turbulent state of transition from colony to nation as Britain attempted to ensure the transfer of control to a suitably moderate “middle class” which had to deal with an increasingly restless and pauperized majority.
Again, even in this brief period, Gairy's GULP showed its orientation through its budgetary and legislative actions. Of fifty-eight laws passed between March 1961 and June 1962, only one could be said to be favourable to the "working class" in that it provided a credit mechanism for small farmers. The majority involved bureaucratic expansion which did more to serve the capitalist political economy than to provide services to the majority of the population. (Jacobs, 1980:63)

In addition, the issue of West Indian Federation undermined Gairy's political support. The long history of Grenadian migration to relatively prosperous Trinidad made unitary statehood very popular in impoverished Grenada. An offer by Eric Williams', Prime Minister of Trinidad, of unitary statehood to the Leeward and Windward Islands following the collapse of the West Indies Federal Government (1958-62) pitted Gairy against the People's National Movement (PNM) of Williams in Trinidad. Williams saw the smaller territories as a further base of support for the P.N.M. and an expanded market for Trinidad's creole petty-bourgeoisie and its oil primed economy. (Harvey, 1982) Although he won 46% of the overall vote in the 1962 elections, Gairy's ambivalence towards union with Trinidad cost him much support. The opposition claimed that Gairy preferred the "Little 8" (Leewards, Windwards and Barbados) arrangement, which would ensure him greater control and benefits than would a secondary role to Williams. Gairy retained only four of the ten Legislative Council seats. Thus the G.N.P. again took over the
government on a wave of euphoria over impending union with Trinidad. (Singham, 1968:279-289)

After winning the 1962 elections, the G.N.P. favoured the business community and aroused worker resentment over the next five years. They made little effort to clarify Williams' vague promises on unification and nothing came of the issue. (EPICA:42) Social services were given low-priority while agricultural inputs were subsidized in favour of the plantocracy and merchants. (Jacobs, 1980:70) In addition, a drop in banana prices caused considerable hardship amongst "peasant" producers and reflected back on the G.N.P. government. (1) At the same time, Gairy returned to his political base and was able to win a 22% wage increase for estate workers through the GMMWU. (EPICA:42) In 1962, Britain moved to restrict Commonwealth immigration, thus reducing the outlet of emigration to Britain traditionally available to the Grenadian economy. (Singham, 1968:69)(2)

The failure of the G.N.P. to negotiate a unitary state

(1) The banana crisis was caused by a struggle for domination of the British banana market between Geest and Elders and Fyffes, a subsidiary of the United Fruit Company. This production contest and price war between the two transnationals involuntarily pitted the Windward Islands (and thus Grenada) against Jamaica where Elders and Fyffes controlled marketing. The resulting glut caused prices to tumble with considerable impact on the smaller producers. (Beckford, 1965)

(2) Also at this time, Britain's swing towards non-Commonwealth markets, particularly the EEC, was creating pressures against the continued protection of colonial imports. (McIntyre, 1980:167)
status with prosperous Trinidad and the above mentioned economic burdens disappointed the electorate and gave Gairy a small lead in the 1967 elections. (EPICA:42) These were held under a new constitution which gave the Chief Minister complete control over finances and all other aspects of government except foreign affairs and defense. With little interference from Britain or the opposition now possible, Gairy began to consolidate his hold on Grenada. Unable to gain acceptance from the plantocracy and the coloured urban petty-bourgeoisie, Gairy used his control over the state to create his own base of support from his own sector of Grenada's petty-bourgeois elite and the rural "agro-proletariat". Through monopoly import privileges, tax breaks, government contracts, patronage and other legal and illegal incentives, Gairy moved not only to control the expanding urban sectors of commerce, construction, manufacturing
and tourism but also to dominate plantation agriculture. (EPICA:42)(1)

In previous periods, class formation had been based on changes in production and the forms of labour. In this period, the Grenadian state became an important instrument of economic changes and class creation and reorganization. (Harvey, 1982; Thomas, 1982:15) The state bureaucracy was centralized so that even minor decisions required Gairy's approval, thus extending the network of patronage and intimidation which he used to control his political "base". (EPICA:44)

In his struggle for dominance over the plantocracy, Gairy implemented a "land to the landless" scheme which allowed him to seize land from owners who opposed the G.U.L.P. and distribute it to friends and supporters, usually in uneconomic small fragments. (EPICA:44) In a few cases, he also used government funds to purchase land from supporters at grossly inflated prices. Estates were expropriated and an extended valuation process ensured that compensation was effectively denied to many owners. Much of this land was in cash crops and its removal from production had considerable impact on the

(1) An indication of Gairy's switch from a rural agricultural base to a petty-bourgeois political base is found in his declared occupation in the electoral and candidates lists. Up until the 1961 election, Gairy had listed his occupation as a candidate as "trade unionist". In the 1962 election, he registered himself as a "proprietor", indicating his change in status as he acquired numerous properties while head of government at various times through the 1950's. (Jacobs, 1980:145)
economy, reducing export volumes by up to 50%. (Cumberbatch, 1977:5) The threat of expropriation reduced the level of cultivation and maintenance on many estates thus lowering productivity as well. (Harvey, 1982)

At this time, new sources of finance increased the ability of the state to intervene on behalf of the class which controlled it. The growth of international financial and technical assistance in the 1960's gave the governing GULP and Gairy the opportunity to develop the administrative and military apparatus of the state and control it to their advantage. (Jacobs, 1980:97) Gairy's acquisition of hotels, restaurants, nightclubs and other profitable businesses, his transfer of state farm produce to his restaurants and many other examples of corruption abound to demonstrate how the growing state sector was used to benefit the "new" class of petty-bourgeois capitalists around him. (Jacobs, 1980:105) While using state funds to reward himself and his supporters, Gairy starved the public sector (with the exception of the police and his police "aides", the Mongoose Gang), with the result that roads, health services and education deteriorated considerably. (EPICA:44)

At this stage, Grenada's class structure was growing more fragmented, with no one group sufficiently powerful to dominate the social structure and build the forces of production through accumulation. The plantocracy was faced with its own contradictions and weaknesses as it competed with international
agribusiness capital. It was in much less of a position to dominate Grenadian society than it had been, previously, particularly following Gaity's attacks. A clearly defined working class, if it existed at all in a predominantly "peasant" society, was very small and essentially unorganized. The peasantry, as it developed in Grenada, did not have a completely independent economic base on the land and, when it did organize, tended to do so in favour of increased wage labour or tenant compensation, rather than for more land. The poverty of the "peasantry" and the cultural/racial/educational abyss to which it had been relegated by centuries of slavery and colonialism made it susceptible to both the semi-feudal paternalism of the plantocracy, and the promises of the frequently opportunistic petty-bourgeois trade union and political leaders who sprang from their fringes.

By virtue of their education and professional/commercial economic base, the coloured urban petty-bourgeoisie were the choice of the colonial authorities to lead this complex aggregation of classes to independence. Despite the appearance of differences given by the Westminster parliamentary system, the basic similarity between G.U.L.P and G.N.P policies in the period 1951-67 shows that they acted in essentially the same class interests or perceived interests.

Lacking a clear and dominant economic base, this petty-bourgeoisie, like Gaity himself, relied heavily on the
state apparatus to maintain its controls. (1) A new group was about to rise however, which would challenge the GULP/GNP's political monopoly.

Influenced by the North American and Caribbean Black Power movement of the late 1960's while they studied abroad, a group of young professionals began to organize a different type of political threat to Gairy which eventually coalesced into the New Jewel Movement (NJM). This signalled the beginning of a third political force which challenged the oligopoly enjoyed by the GULP and the GNP for some fifteen years. Gairy passed the Emergency Powers Act following a Black Power demonstration on May 10, 1970 organized in solidarity with the Trinidadian revolt of February 1970, which almost overthrew the government of Eric Williams. In May 1970, Gairy announced the recruitment of known criminals and thugs as Police "Aides" to "take steel to cut steel". (EPICA:45)

As noted above, by 1970, the deterioration of social services and agricultural stagnation (resulting partly from Gairy's land "reform") had begun to create dissatisfaction. In November 1970, about thirty nurses demonstrated in protest at conditions in the St. George's General Hospital. They were subsequently joined on December 15, 1970 by a large crowd of

(1) Control of the state is susceptible to marginal shifts in alliances among the various petty-bourgeois elements since no one class or element can command sufficient surplus or accumulated capital to dominate all others in a peripheral capitalist society. (Thomas, 1978:15)
youth, students, trade unionists and GNP supporters, against which Gairy unleashed the police. Several young lawyers, including the present Prime Minister, Maurice Bishop, successfully defended the twenty-two nurses charged by Gairy. They were acquitted in July 1971, and the seven month period of the trial permitted the development of a common antagonism to the Gairy regime. The incident highlighted Gairy's repressiveness and established the young professionals as defenders against that repression. (EPICA:45) Threatened by his loss in the courts, Gairy stepped up his overt repression with arbitrary dismissals and transfers in the Public Service and harassment of the newly emerging radical intelligensia. He publicly announced the formation of a "night ambush squad" and a "special secret police force" in October 1971. (Jacobs, 1980:97)

Four leaders of this newly emerging group of "radicals" decided to contest the February 1972 general elections under the banner of the GNP, to prove the seriousness of their opposition to Gairy. Gairy swept the elections, winning thirteen of the fifteen parliamentary seats through a combination of factors: his astute manipulation of patronage under the new powers provided by the 1967 Associated Statehood constitution, the reputation of the GNP as the party of the merchants and plantocracy, plus an increased degree of gerrymandering and vote rigging. (Jacobs, 1980:98)

Following this success, in October 1972 Gairy announced
that he would take Grenada into independence from Britain without the referendum which had been widely expected. Opposition to independence under Gairy grew with the realization that control over external affairs and defense would only serve to strengthen his control and abuse of the state. (EPICA:46) The G.N.P. gathered 19,000 signatures on a petition against independence "for Grenada by itself alone." (Jacobs, 1974:27) Tensions grew and on April 5, 1974 the Technical and Allied Workers Union, led by Curtis Stewart, a known opponent of Gairy, called out workers in the water, electricity and telephone services for two days. The fatal shooting of a young NJM supporter, Jeremiah Richardson, by a policeman on April 22, 1973 caused demonstrations by youth which closed the airport for two days. On May 14, 1973, while Gairy was in London holding constitutional talks with the Foreign Office, the G.N.P. and an NJM sympathizer(1), the Chamber of Commerce led a business shut down. This action was joined by the dock workers, teachers, schoolchildren and public service workers, and closed the country down for four days. The protest collapsed when businessmen, not wishing to lose further revenues, reopened their shops on May 20. (Jacobs, 1974:29)

While the NJM provided most of the political leadership in these demonstrations, it was clear that their lack of economic

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(1) Bernard Coard, a Lecturer at UWI in Trinidad and a known sympathizer of the NJM was included in order to broaden the representation on the Opposition delegation. (Jacobs, 1974:28) Coard is now Minister of Finance and Deputy Prime Minister in the NJM government.
power (for example, through unions or business) prevented them from implementing major actions on their own. (Jacobs, 1974:29) After a period of reflection and reorganization following the May general strike, the NJM held a "peoples' congress" in November 1973 at Seamosn between Grenville and the airport on the east coast. Some ten thousand people attended, compared with only two thousand at a GULP rally in Grenville held by Gairy at the same time. (DaBreo, 1979:67) At the NJM rally, a resolution was passed listing twenty-seven charges against Gairy and demanding his resignation. Infuriated by these demands and embarrassed by the overwhelming numerical superiority of the NJM's support, Gairy ordered the arrest and beating of six of their leadership as they met with businessmen in Grenville to discuss a general strike on November 18, 1973. (Jacobs, 1974:29) While the strike began with little support the following day, it gathered momentum and was almost complete by November 20 as word spread of the savage beatings inflicted on the NJM leadership. (DaBreo, 1974:38)

At this stage of the struggle against Gairy, it was clear that the opposition was divided into three broad groups: the NJM which had demonstrated wide political support and organizational ability, the commercial sector led by the Chamber of Commerce and anti-Gairy unions associated with the G.N.P. This division was symptomatic of the fragmentation of classes noted earlier, which limited the ability of any one group to dominate or control others.
With the NJM leadership jailed, a "Committee of 22" was quickly formed representing virtually all of Grenada's business, unions, service clubs, churches and other urban groups except the GULP and the NJM. The strike went ahead the next day and the island's economy came to a halt. In the face of a united opposition, Gairy was forced to agree to a number of demands, among them the disbanding of the Mongoose Gang and the establishment of a Commission of Inquiry into the operation of justice in Grenada, including the arrest and beating of the NJM leadership.

Given these concessions, the Committee of 22 ended the strike after one week, demonstrating the importance of the economic base of the Chamber of Commerce and the moderate union leaders. However, Gairy continued to intimidate opposition individuals and groups and was able to postpone their action on a second general strike until January 1974. (DaBreo, 1974:45) The Committee of 22 portrayed itself as a non-political group although it clearly sympathized with the GNP and was reluctant to pursue a course of action which might overthrow Gairy but provide further political support for the NJM. It opposed Gairy firstly because his patronage and corruption threatened their own interests and secondly because his repressiveness was jeopardizing Grenada's capitalist economy by provoking mass upheavals. (EPICA:40)

When it became clear that Gairy did not intend to
dismantle his police state, the Committee called a more serious strike beginning January 3, 1974 which paralyzed the economy for almost two months. This second strike was marked by almost continuous protests, police violence and popular reprisals against the Police. (EPICA:46) Maurice Bishop's father was killed by the Police on January 21, 1974 while blocking a doorway where a group of women and children had taken refuge from police violence in the street. Following Rupert Bishop's murder, the Committee of 22 feared that the violence would go much further, thus jeopardizing their objective of reforms to the Gairy administration. One person had been killed, fifteen wounded and school children had been teargassed. (DaBreo,1974:56) The Committee and the NJM agreed to suspend further demonstrations in order to avoid more bloodshed. However, the strike continued.

With commerce stopped by the general strike, government revenues had dropped considerably and the civil service and police were not paid. (EPICA:47) When these groups threatened to join the strike, Britain stepped in with an independence "gift" of £100,000 to pay the civil service. The governments of Guyana, Trinidad and Jamaica also loaned some $2 million to Gairy in the last two months of the strike. Britain and Canada sent three naval frigates to anchor in St. George's harbour just prior to

(1) Gairy had Maurice Bishop arrested on February 6, 1974, the night before independence was formally granted by Britain. He was held for almost three days under poor conditions and was finally released on only $240 bail by the Chief Justice after having been refused bail by at least two magistrates. (DaBreo,1974:56)
the February 7, 1974 independence celebrations, ostensibly to participate in the celebrations. (EPICA:47) Fear of left wing resurgence led by the NJM if Gairy was defeated was a major factor in this external support, despite widespread dislike of Gairy's corruption and repression. (EPICA:47)

In a meeting one week after independence, Gairy refused all of the demands of the Committee of 22, which included free and fair elections within six months, the disbanding of the secret police and the operation of Radio Grenada by a statutory body. (DaBreo,1974:58) By this time, the length of the general strike had led to considerable economic pressure, not only on Gairy, but also on the poorest segments of the population. The ability of many to stay off work was limited. In the face of their own loss of revenues and the possibility of furthering the political prestige of the NJM, the Committee of 22 began to break down.

The final blow to the strike was the return to work of the Seamen and Waterfront Workers Union (SWWU). The dock workers were crucial to the closure of the port and thus to the economic pressure on Gairy since some 40% of government revenues came from customs duties. (World Bank,1979:148) At the end of February, 1974, the Government of Grenada, the Grenada TUC, the SWWU and the Caribbean Congress of Labour (CCL) issued a statement setting out results of talks held with a view to resolving the deadlock which had caused the port of St. George's to be closed.
Ironically, the leadership of the SWWW ordered the dockers back to work just as fuel supplies were about to run out and only three days after the union received thousands of dollars in strike funds to continue. (EPICA:47)

A review of the nature of the leaderships of the SWWW, the TUC and the CCL and their internal and international linkages is instructive in analysing this capitulation to Gairy without any concessions having been won. The key trade union representatives involved in the breaking of the strike were linked to the AIFLD which is well known for its conservative, anti-communist views. These included Eric Pierre, Curtis Stuart and Burns Bonadie. Eric Pierre, Secretary of the SWWW (and also President of the Commercial and Industrial Workers Union at the time) was a member of the G.N.P. executive and the brother of Leslie Pierre, then President of the Chamber of Commerce. (Jacobs, 1974:29)(1) He was closely associated in the Grenada Trades Union Council (TUC) with Curtis Stuart, then President of the Technical and Allied Workers Union (TAWU) and Research Officer of the American Institute for Free Labour Development (AIFLD) for the Eastern Caribbean since 1973. (EPICA:64) Burns Bonadie, General Secretary of the Caribbean Congress of Labour (CCL) flew to Grenada just as Gairy was weakening and assisted in the negotiations which opened the port. The CCL is heavily funded

(1) Eric Pierre had received union leadership training in Brazil, Puerto Rico and Israel in the late 1950s through ORIT, the Organization Regional Interamericana de Trabajo. (EPICA:65)
by the AILFD (AILFD, 1977) and shares offices with them in Barbados. (1) The conservative leanings of this trade union leadership led them to fear the "communist" orientation of the NJM. The NJM Manifesto of October 1973 (Jacobs, 1974: 143-156) had made it clear that they proposed substantial changes in the capitalist system in Grenada and the wide political support they held was evidenced by the size of demonstrations they were able to mount.

While the struggle for political power between Gairy, the NJM and the UNP was unfolding, opposition to Gairy by the majority of the population was demonstrated by their widespread support of the general strike and demonstrations for his overthrow. Their opposition was further based on the decline of agriculture and the hardship which this created in the country. Between 1970 and 1974, the volume of agricultural production fell by an alarming 50% in Grenada. (Cumberbatch, 1977: 10)

(1) The AILFD is well known for its CIA connections (Agee, 1977; Scott, 1978) and was directly involved in the overthrow of the Jagan administration in British Guiana in 1964. (Sunday Times, April 10, 1967; Scott, 1978: 220; Pearce, 1981: 83) ORIT, the Latin American regional arm of the social democratic International Confederation of Free Trade Unions (ICFTU) has long been dominated by the AFL-CIO rather than the ICFTU and in fact was led by a former CIA operative, Serafino Romualdi, until only recently. (Scott, 1978: passim) It is interesting to note that Burns Bonadie recently mediated a similar confrontation with the government of St. Vincent, and the Grenadines when mass demonstrations threatened the government over its attempts to pass restrictive labour legislation. He is closely related to Prime Minister Cato of St. Vincent. (L.A.N., 21 August 1981)
Some of this decline could be attributed to poor rainfall and bad management, although agricultural export earnings actually rose despite the significant drop in production, because of relatively higher international commodity prices. (1)

An important additional factor in agricultural stagnation was Gairy's land "reform". Between 1946 and 1972, estate ownership was concentrated in fewer hands, accounting for roughly the same 45% of cultivable land but dropping from 103 estate owners in 1946 to 50 in 1972. (Jacobs, 1980:46) As noted earlier, Gairy's use of government funds to expropriate the estates of his opponents and distribute them in uneconomically small parcels to his supporters created a climate of insecurity which reduced the amount of land cultivated. In addition, agricultural maintenance and investment were reduced because Government's mismanagement and neglect of agriculture furthered this climate of insecurity.

For example, the passage of the Emergency Powers Act in 1970 caused the President of the Grenada Cooperative Nutmeg Association to transfer some $870,000 of the Association's reserves to fixed deposits in banks in Barbados, out of fear that Gairy would seize them under a section of the Act that entitled the Cabinet to expropriate property. In fact, in July 1975, Gairy dissolved the Nutmeg Board and replaced its elected members

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(1) For example, a volcanic eruption in 1974 cut Indonesian nutmeg production and raised world prices, thus benefitting Grenada. (Cumberbatch, 1977:17)
with his own supporters. This act was declared unconstitutional by the High Court but, on appeal, was approved. (Brizan, 1979a:66-71) Gairy also seized the Cocoa and Banana growers' associations, thus controlling all of the producer marketing co-operatives. (EPICA:49)

Following independence in February 1974, Gairy increased his efforts to enrich himself at public expense using his now complete control of the state. (1) He stepped up repression and the limitation of the opposition through control of the radio, forcing the NJM newspaper underground and restricting the use of loudspeakers at public meetings. In 1976, he visited Chile and Korea and in 1977 he received arms from the Pinochet regime. He denounced his opponents as communists and used Grenada's sovereignty for his own aggrandizement and financial gain. (EPICA:49)

The NJM, aware that much of Gairy's control and international support depended on his electoral "legitimacy", contested the December 1976 elections in a coalition with the GNP and another small conservative party, the United People's Party (UPP). Gairy's depredations had become so pronounced as to convince the GNP that it was time to throw in their lot with the NJM. Despite the massive electoral fraud exposed by the Caribbean Conference of Churches, the People's Alliance won six of the

(1) For example, Gairy flaunted his control of the state by linking Grenada to a number of shady international schemes involving organized crime. (EPICA:49)
fifteen parliamentary seats, with the NJM holding 3, the GNP two and the UPP one. (Jacobs, 1980:114) It was estimated by one source that at least five thousand fraudulent names were on the electoral list of about 63,000 voters. (Hughes, 1977; Jacobs, 1980:113)

In addition to his manipulation of the electoral system, Gairy had also begun to alienate those sectors of the "agro-proletariat" and labour which still saw him as the "hero" of the 1951 uprising. His highly personalized hiring hall in the GMMWU, insisted on recognition of the GMMWU by certain employers over other unions preferred by their workers. (EPICA:50) Despite promising otherwise, he refused to respect the recommendations of the 1977 Civil Service Salary Revision Committee and threatened the lives of the leaders of the Civil Service union, forcing them to back down on their strike threats. In February 1978, he legislated away the right to strike in eleven service sectors. (EPICA:50)

As a forum for opposition, Parliament was neutered by Gairy's refusal to submit legislation in advance to permit debate and by his use of excessively concentrated executive power to carry on much more government business than is normally possible in a Westminster parliamentary system. Economic conditions, political frustrations and human rights violations, contributed to the growing unrest in Grenadian society. Tourism had grown from virtually nothing to 13% of the GDP by 1973, but suffered a
severe recession for years following international coverage of the unrest surrounding the 1974 general strike. (World Bank, 1979:156) Agricultural employment had declined from 43% of the labour force in 1960 to less than 33% in the 1970's. (Lefranc, 1980:8) Over 90% of Grenada's energy requirements come from imports, the cost of which escalated enormously after 1973. The neglect of public services and the growth of overt repression created a climate of economic, political and social insecurity and alienation which affected virtually every element of Grenadian society.

Maurice Bishop was now the Leader of Her Majesty's Official Opposition. This gave the NJM a certain international legitimacy which allowed it to resist Gairy's repression and further organize a base of resistance to him. Bishop's leadership of the Opposition was also a tacit recognition by the GNP section of Grenada's elite and petty-bourgeoisie that NJM political support was crucial despite their reservations about the NJM's commitment to radical change.

Having recognized the previous inadequate preparations of their political organization, tactics and alternative plans for the exercise of state power (Jacobs, 1980:108), the NJM devoted considerable attention between 1974 and 1979 to improving its organization. The party recognized that their promotion of demonstrations against Gairy in November 1973 was premature, as shown by their inability to continue the strikes which they
In the early morning hours of March 13, 1979, the NJM took over the government of Grenada after Gairy had left the island with instructions that the NJM leadership be assassinated in his absence. (Caribbean Monthly Bulletin, 1979:8; The Nation, March 20, 1979; Caribbean Contact, April 1979) Large numbers of youth and NJM sympathizers took to the streets to support the small force of NJM members which had taken the Defence Force barracks and armory by force, without casualties on either side. Within three days, the Governor-General, the Civil Service, the Chamber of Commerce and a large percentage of the population had indicated their support for the new government. (Jacobs, 1980:126) The widespread economic and political malaise outlined above served to unite the country behind the NJM as the force which had "delivered" them from Gairy's depredations. The inability of the GNP or other moderate forces in Grenada to oppose them on March 13, 1979 demonstrated their success in learning the lesson of their earlier failure.

There has been much discussion in the Caribbean as to whether the NJM's extraconstitutional takeover of the state constituted a coup or a revolution. (Jacobs, 1980:123) The substantial realignment of political forces and class interests which have consolidated state power in the hands of the left-leaning leadership of the NJM would tend to support the latter. While huge changes in the allocation and flows of surplus
between classes have not yet occurred. Such redirection of surplus has begun and is clearly moving in favour of a larger proportion of the population.

THE REVOLUTIONARY ERA

In the four and one half years since March 13, 1979, many changes have taken place in the Grenadian social formation which distinguish this period from previous history. However, the revolutionary experience is short in relation to the long period of dependency stretching back over three hundred years. This final section will present a very brief overview of this period which is pertinent to the class analysis and history attempted in this chapter. The review will be divided into coverage of both economic and political elements, as they reflect the objective and subjective factors which comprise class analysis.

In the economic sphere, the major changes have been in the increase of the social wage, improvement of economic management within the important state sector, the increase and diversification of foreign aid and its sources and the development of a mixed economy with significantly increased state participation. These changes have been successful in the short-term, reducing unemployment from almost 50% in 1979 to 14% in 1982 and maintaining real GDP growth at 2-5% per annum. (Coard, 1983:6)
The social wage has been increased through major improvements in health and education, both in terms of quality and access to services. In addition, legislation has been passed covering national pensions, workman's compensation, compulsory union recognition and rent restrictions to name but a few. With respect to state sector management, not only has corruption and waste been largely eliminated, but the World Bank and the European Development Fund have praised Grenada as having one of the best prepared and managed Finance Ministries in the region. (Jamaica Daily News, July 23, 1980)

The government's capital budget has increased from expenditures of roughly ECS$8 million in 1980 to ECS$100 million in 1982, of which ECS$26 million was for the international airport. (Coard, 1983:15) Recurrent expenditures increased from approximately ECS$50 million in 1978 to ECS$68 million in 1982. Foreign aid and loans covered 67% of the 1982 capital budget and came from a wide variety of donors. Some ECS$37 million of aid came as grants, with ECS$28 million from Cuba. The state has become increasingly active in production as well, with activities including fisheries, food processing and marketing, hotels and restaurants, construction materials and forestry. The bulk of government expenditures have been for services, construction and infrastructure, with expenditures of approximately ECS$22 million on actual production (Coard, 1983:39), out of total capital and recurrent expenditures of ECS$168 million in 1982. The private sector has benefited from increased
government spending but has also increased its own output by 10% in 1982, primarily in services and export/import activity, but also in furniture making, food processing and garment manufacturing. (Coard, 1983:30)

In the political sphere, let us look at three areas of interest: democracy, education and external relations. With respect to the development of democracy and freedoms, there can be no question that conditions have changed from the Gairy years. Parliament and national elections have been put aside and replaced by a process of consultation through public meetings, parish and workers council meetings and new mass organizations for women, youth and trade unionists. A constitutional commission was recently appointed to develop a proposed new constitution for discussion, followed by a referendum and then national elections. (L.A.N. June 17, 1983) It appears that the form of political structure favoured by the NJM is based on a series of village, parish and national councils or assemblies. There is a commitment to hold regular elections(1) but not along the lines of the Westminster parliamentary model, which has been scorned as "five seconds every five years" democracy by the NJM. (Contact, December 1982)

With respect to freedom of expression, Grenada has been

(1) Maurice Bishop apparently gave a fixed date before which elections will be held to Prime Minister George Chambers of Trinidad at the November 1982 CARICOM summit meeting. (Contact, December 1982)
criticized by the Caribbean press for its closure in 1980 of the
Iocchliob, a newspaper linked to the G.N.P., and for its holding
of some 30 to 40 political prisoners without charge. The NJM/PRG
response to these criticisms is that the newspaper and the
prisoners were involved in activities they considered to be
provocative and against the interests of national security. This
is a sensitive area and, while there is some evidence of abuse of
state power, there is little hard information upon which to make
judgements about the whole system of justice and protection of
rights. There is however a consensus that the level and nature of
abuse is considerably less worrisome than the brutal and
arbitrary actions of Gairy's security forces. (Contact, August
1981)

With respect to education, the NJM/PRG has mounted an
extensive literacy and adult education programme and has declared
1983 as the "year of political and academic education". There has
been greater interest in science and technology, with special
workshops and conferences to expand education in that area.
However, the bulk of educational funds are still expended in the
traditional hierarchical primary, secondary and tertiary school
systems, with continued reliance on the Cambridge GCE and
Caribbean CXC standardized examinations to define educational
goals.

The area of external relations is perhaps the most
sensitive of Grenada's political activities. The current U.S.
administration has attacked Grenada ideologically and with scarcely veiled economic and military threats. Grenada has been excluded from the U.S. Caribbean Basin Initiative and American officials regularly attempt to dissuade or block loans and aid from other Western donor governments and agencies. (Contact, May 1981) These attacks have included military manoeuvres in the Caribbean designed to threaten Grenada's national security. (Guardian, September 9, 1981) While President Reagan's recent public allegations about the secret military nature of Grenada's new airport embarrassed the U.S. administration, the incident indicates the degree to which ideological hostility has obscured an objective U.S. analysis of Grenada's revolution as a threat to U.S. national security. (Guardian Weekly, March 6, 1983)

Grenada has countered U.S. aggression by developing its relations with Western Europe, particularly through the NJM's association with the Socialist International. Grenada has also convinced most of its CARICOM partners that, despite their ideological differences, bilateral threats to one member state could seriously jeopardize the entire regional integration movement, with consequences far more serious than any benefits that might come from Reagan's now tarnished Caribbean Basin Initiative. (Contact, December 1982)

One last point, which touches on both the economic and political, the objective and subjective elements of class analysis, is the question of relations of production in state
enterprises. For the most part, changes in this area have been limited to the formation of workers councils with responsibilities for workplace recommendations, emulation (productivity) awards, work planning and as a forum for dialogue with government. In some areas, profit sharing programmes are in place. (1)

In summary, a picture emerges of ambivalent forces with respect to changes in class relations. On the one hand, the economic reforms have been just that, reforms, and have not endangered either capitalist property (2) nor the capitalist relations of production which underlie Grenada's dependent economy. On the other hand, a very different direction has been taken in non-formal education and the media which incorporates a strong anti-imperialist response to international attacks on Grenada. Further, a broader basis for government/public dialogue has been set in place which appears to go beyond nationalistic, anti-imperialistic rhetoric. On the whole, it is perhaps too early to judge just how these tendencies will influence the balance of class relations in Grenada.

In summary, this review of the evolution of dependency and class formations in Grenada describes a social formation

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(1) See page 170 of Chapter Four for a more detailed discussion of this aspect in reference to the Grenada Farms Corporation's estates.

(2) With the exception of the nationalized telephone and electricity companies, both foreign owned.
heavily influenced by external forces throughout three centuries of development. The primary means of production, agricultural land, has been concentrated in its ownership and severely limited in its use, at least in the short-term, by market conditions which by and large have been outside the influence of its owners. Therefore, even given the will and local political inclination to reorganize, internal and geopolitical structures have tended to resist reorganization. This is particularly the case when one considers that the surplus available for reorganization from an economy of 340 square kilometres and 110,000 people is relatively small in comparison with some of the forces aligned against it.

Two principal elements of Grenada's social formation which affect this resistance to reorganization, particularly in relation to self-reliant food production, are land use and externally dominated food consumption patterns. It is the study of these two elements in relation to the theoretical framework of the preceding two chapters that the remainder of this thesis is dedicated.
CHAPTER THREE

FOOD CONSUMPTION IN GRENADA: THE PROBLEM OF DEMAND VS NEEDS

As we saw in Chapter 2, the development of Grenada's productive capacity under colonialism was severely distorted by its dependence on externally dominated demand. The predominance of production for export induced an exaggerated dependence on imports to meet local demand. In turn, local demand was heavily influenced by external factors such as the cost to the planter of imported food, as opposed to the actual nutritional requirements of the population. (1) In the area of food consumption, approximately 75% of food energy and protein consumption in Grenada was met from imports in 1980.

This chapter will outline the patterns and structures of Grenada's food consumption and the problems which a marked divergence between demand and actual nutritional needs presents to a programme of self-reliant food production. It will argue that food expenditures on imports and high income consumption divert resources from the supply of basic foods which can meet the nutritional requirements of as many people as possible at the lowest possible cost. This linkage between income and consumption has been noted by Clive Thomas:

Except for the residual subsistence sectors, commodities

(1) The planters' use of cheap Canadian salt Cod as food for the slaves is a well-known example which has influenced food tastes right into the current period.
available from both local production and imports are allocated on the basis of purchasing power. In the context of widespread poverty and unemployment, most of the available commodities service the needs of the relatively better off classes and groups. (Thomas, 1982:3)

The current structure of food consumption it will be argued, is heavily influenced by two factors: 1) unequal income distribution and 2) Western consumer technology (for example, packaging, processing and marketing). These factors operate in such a way as to create or maintain demand for end products which can be linked to local resources and production only with difficulty, thus obstructing self-reliant food production.

A detailed analysis of national food consumption in Grenada, when compared with a nutrition survey carried out in La Poïerie, a poor rural village in St. Andrews Parish, shows that consumption of meat and imported foods is much lower among rural low income groups than it is for the national averages. From this discrepancy, it will be shown that a small, mainly urban, high income group has a disproportionate impact on national food consumption as a result of its higher purchasing power. The La Poïerie Nutrition Survey of 1972 was chosen for comparison with national statistics for two reasons. One, as a rural area, La Poïerie is more representative of the income and consumption patterns of the rural majority in Grenada. Two, it is the ONLY detailed study of income and food consumption available for a lower income group.

Western consumer technology is introduced by
transnational corporations which dominate the international market, distort conditions in favour of their own markets and profits, and engage in large scale demand creation through advertising and other consumer technologies such as packaging and "convenience" food processing unrelated to nutritional requirements. (1) These factors influence Grenadian demand for food, not only through the dominance of imported foods in local diets, but also via the media, the tourist industry and contacts with Grenadians living abroad in the United States, Britain and Canada. Beginning with an analysis of current food consumption structures, this chapter then looks at the main features, both international and local, which influence this structure.

FOOD CONSUMPTION PATTERNS IN GRENADA

Tables 1 to 5 below, provide a detailed outline of national food consumption in Grenada for 1980. Consumption is analysed under fifteen (15) categories of food type and categorized by local and imported food, food energy and protein, and food costs. Comparisons between the structures of total national consumption and expenditures and consumption in La Poterie are provided to demonstrate the differences in consumption at different income levels.

(1) For a good review of the impact of these factors on the food industry, see UNCTAD, "The Food Processing Sector in Developing Countries: Some Recent Trends in the Transfer and Development of Technology", TD/B/C.6/66, Geneva, October 14, 1980.
### TABLE 1 - FOOD ENERGY CONSUMPTION IN GRENADE - 1980 (MILLIONS OF KILOCALORIES)

<table>
<thead>
<tr>
<th>ITEM</th>
<th>LOCAL PROD.</th>
<th>IMPORTS</th>
<th>EXPORTS</th>
<th>LOCAL CONS.</th>
<th>PERCENT OF NAT'L TOTAL</th>
<th>LA POTERIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FISH</td>
<td>1,750,000</td>
<td>1,305,035</td>
<td>17,490</td>
<td>3,037,545</td>
<td>3.4%</td>
<td>3.2%</td>
</tr>
<tr>
<td>MEAT</td>
<td>2,741,435</td>
<td>4,081,100</td>
<td>149,140</td>
<td>6,673,395</td>
<td>7.60</td>
<td>3.6%</td>
</tr>
<tr>
<td>DAIRY &amp; EGGS</td>
<td>268,950</td>
<td>5,608,290</td>
<td>-</td>
<td>5,877,240</td>
<td>6.69</td>
<td>2.9%</td>
</tr>
<tr>
<td>FLOUR/WHEAT</td>
<td>-</td>
<td>27,944,607</td>
<td>1,733,721</td>
<td>26,210,886</td>
<td>29.18</td>
<td>30.2%</td>
</tr>
<tr>
<td>RICE</td>
<td>-</td>
<td>3,219,810</td>
<td>-</td>
<td>3,219,810</td>
<td>3.67</td>
<td>-</td>
</tr>
<tr>
<td>OTHER CEREALS</td>
<td>1,620,234</td>
<td>7,148,336</td>
<td>-</td>
<td>8,768,570</td>
<td>9.98</td>
<td>-</td>
</tr>
<tr>
<td>VEGETABLES</td>
<td>1,791,611</td>
<td>929,608</td>
<td>-</td>
<td>2,721,219</td>
<td>3.10</td>
<td>9.0%</td>
</tr>
<tr>
<td>FRUIT</td>
<td>5,364,211</td>
<td>183,071</td>
<td>32,531</td>
<td>5,226,751</td>
<td>5.95</td>
<td>4.3%</td>
</tr>
<tr>
<td>ROOT CROPS/STARCHES</td>
<td>2,078,412</td>
<td>486,788</td>
<td>-</td>
<td>3,565,200</td>
<td>4.06</td>
<td>24.3%</td>
</tr>
<tr>
<td>SUGAR &amp; SYRUPS</td>
<td>1,841,874</td>
<td>10,124,045</td>
<td>-</td>
<td>11,965,919</td>
<td>13.63</td>
<td>9.1%</td>
</tr>
<tr>
<td>EDIBLE OILS</td>
<td>2,169,822</td>
<td>1,690,547</td>
<td>-</td>
<td>3,860,369</td>
<td>4.40</td>
<td>5.5%</td>
</tr>
<tr>
<td>MARGARINE/SHORTENING</td>
<td>-</td>
<td>3,204,618</td>
<td>-</td>
<td>3,204,618</td>
<td>3.65</td>
<td>-</td>
</tr>
<tr>
<td>ALCOHOLIC BEVERAGES</td>
<td>1,786,003</td>
<td>812,273</td>
<td>-</td>
<td>2,598,276</td>
<td>2.96</td>
<td>-</td>
</tr>
<tr>
<td>SOFT DRINKS</td>
<td>356,879</td>
<td>178,100</td>
<td>-</td>
<td>534,979</td>
<td>0.61</td>
<td>-</td>
</tr>
<tr>
<td>MISCELLANEOUS</td>
<td>-</td>
<td>355,354</td>
<td>-</td>
<td>355,354</td>
<td>0.40</td>
<td>7.8%</td>
</tr>
<tr>
<td>TOTALS</td>
<td>22,769,431</td>
<td>67,271,582</td>
<td>2,220,882</td>
<td>87,820,131</td>
<td>100.00</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

**NATIONAL PERCENTAGES** 25.93% + 76.60% — 2.53% = 100.00%

**AVERAGE FOOD ENERGY CONSUMPTION IN GRENADE IN 1980 WAS 2,194 kcal./Person/day (Popl'n 109,664; 365 days)**

**AVERAGE FOOD ENERGY CONSUMPTION IN LA POTERIE IN 1972 WAS 1,610 kcal./Person/day.**

**SOURCES:**
1) Statistical Office, Ministry of Agriculture, St.George's.
2) Imports by SITC, Central Statistical Office, St.George's.
**TABLE 2 - PROTEIN CONSUMPTION IN GRENAADA - 1980 (KILOGRAMS OF PROTEIN)**

<table>
<thead>
<tr>
<th>ITEM</th>
<th>LOCAL PROD.</th>
<th>IMPORTS</th>
<th>EXPORTS</th>
<th>LOCAL CONS.</th>
<th>PERCENT OF NAT'L TOTAL</th>
<th>LA POTERIE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FISH</strong></td>
<td>299,091</td>
<td>166,957</td>
<td>-</td>
<td>466,048</td>
<td>16.33%</td>
<td>12.6%</td>
</tr>
<tr>
<td><strong>MEAT</strong></td>
<td>163,100'</td>
<td>435,356</td>
<td>9,943</td>
<td>588,513</td>
<td>20.62%</td>
<td>11.4%</td>
</tr>
<tr>
<td><strong>DAIRY &amp; EGGS</strong></td>
<td>21,285</td>
<td>334,230</td>
<td>-</td>
<td>355,515</td>
<td>12.46%</td>
<td>6.6%</td>
</tr>
<tr>
<td><strong>FLOUR/WHEAT</strong></td>
<td>-</td>
<td>952,027</td>
<td>52,393</td>
<td>900,434</td>
<td>31.55%</td>
<td>28.3%</td>
</tr>
<tr>
<td><strong>RICE</strong></td>
<td>-</td>
<td>59,429</td>
<td>-</td>
<td>59,429</td>
<td>2.08%</td>
<td>-</td>
</tr>
<tr>
<td><strong>OTHER CEREALS</strong></td>
<td>42,189</td>
<td>168,096</td>
<td>-</td>
<td>210,285</td>
<td>7.37%</td>
<td>-</td>
</tr>
<tr>
<td><strong>VEGETABLES</strong></td>
<td>92,923</td>
<td>34,417</td>
<td>-</td>
<td>127,340</td>
<td>4.46%</td>
<td>22.7%</td>
</tr>
<tr>
<td><strong>FRUITS</strong></td>
<td>63,077</td>
<td>1,882</td>
<td>5,662</td>
<td>59,297</td>
<td>2.08%</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>ROOT CROPS/STARCHES</strong></td>
<td>48,619</td>
<td>11,873</td>
<td>-</td>
<td>60,492</td>
<td>2.12%</td>
<td>13.1%</td>
</tr>
<tr>
<td><strong>SUGAR &amp; SYRUPS</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>EDIBLE OILS</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>108</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>MARGARINE/SHORTENING</strong></td>
<td>-</td>
<td>1,597</td>
<td>-</td>
<td>1,597</td>
<td>0.06%</td>
<td>0</td>
</tr>
<tr>
<td><strong>ALCOHOLIC BEVERAGES</strong></td>
<td>5,813</td>
<td>2,097</td>
<td>-</td>
<td>7,910</td>
<td>0.28%</td>
<td>0</td>
</tr>
<tr>
<td><strong>SOFT DRINKS</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>MISCELLANEOUS</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>16,826</td>
<td>0.59%</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

**TOTALS**

|                | 736,097     | 2,185,695 | 67,998  | 2,853,794  | 100.00%                | 100.0%     |

**NATIONAL PERCENTAGES**

|                | 25.79%      | 76.59%    | 2.30%   | 100.00%    |                       |            |

**AVERAGE PROTEIN CONSUMPTION IN GRENAADA IN 1980 WAS 71.3 gm./PERSON/DAY (POP'N 109,664, 365 DAYS)**

**AVERAGE PROTEIN CONSUMPTION IN LA POTERIE IN 1972 WAS 43.0 gm./PERSON/DAY.**

**SOURCES:**
1) Statistical Office, Ministry of Agriculture, St. George's
2) Imports by SITC, Central Statistical Office, St. George's
4) Caribbean Food & Nutrition Institute, Food Composition Tables, Kingston Jamaica, 1974,
<table>
<thead>
<tr>
<th>ITEM</th>
<th>LOCAL PROD.</th>
<th>IMPORTS</th>
<th>EXPORTS</th>
<th>LOCAL CONS.</th>
<th>PERCENT OF NAT'L TOTAL</th>
<th>LA POTERIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FISH</td>
<td>3,452,272</td>
<td>2,571,194</td>
<td>66,133</td>
<td>5,957,333</td>
<td>7.36</td>
<td>14.5%</td>
</tr>
<tr>
<td>MEAT</td>
<td>6,925,380</td>
<td>7,383,396</td>
<td>201,739</td>
<td>14,107,037</td>
<td>17.43</td>
<td>15.4%</td>
</tr>
<tr>
<td>DAIRY/EGGS</td>
<td>1,300,000</td>
<td>6,143,193</td>
<td>-</td>
<td>7,443,193</td>
<td>9.20</td>
<td>4.2%</td>
</tr>
<tr>
<td>FLOUR/WHEAT</td>
<td>1,881,497</td>
<td>5,726,779</td>
<td>574,411</td>
<td>7,033,865</td>
<td>8.69</td>
<td>15.5%</td>
</tr>
<tr>
<td>RICE</td>
<td>- 1,124,153</td>
<td>-</td>
<td>-</td>
<td>1,124,153</td>
<td>1.39</td>
<td>-</td>
</tr>
<tr>
<td>OTHER CEREALS</td>
<td>1,332,989</td>
<td>3,263,365</td>
<td>-</td>
<td>4,596,354</td>
<td>5.68</td>
<td>-</td>
</tr>
<tr>
<td>VEGETABLES</td>
<td>1,520,788</td>
<td>1,060,541</td>
<td>-</td>
<td>2,581,329</td>
<td>3.19</td>
<td>18.8%</td>
</tr>
<tr>
<td>FRUITS</td>
<td>6,139,048</td>
<td>1,035,810</td>
<td>914,513</td>
<td>6,260,365</td>
<td>7.74</td>
<td>-</td>
</tr>
<tr>
<td>ROOT CROPS/STARCHES</td>
<td>3,511,246</td>
<td>612,857</td>
<td>-</td>
<td>4,124,103</td>
<td>5.10</td>
<td>14.8%</td>
</tr>
<tr>
<td>SUGAR &amp; SYRUPS</td>
<td>858,000</td>
<td>4,607,185</td>
<td>-</td>
<td>5,465,185</td>
<td>6.26</td>
<td>3.9%</td>
</tr>
<tr>
<td>EDIBLE OILS</td>
<td>892,620</td>
<td>669,054</td>
<td>-</td>
<td>1,561,674</td>
<td>1.93</td>
<td>7.6%</td>
</tr>
<tr>
<td>MARGARINE/SHORTENING</td>
<td>- 1,832,861</td>
<td>-</td>
<td>-</td>
<td>1,832,861</td>
<td>2.27</td>
<td>-</td>
</tr>
<tr>
<td>ALCOHOLIC BEV.</td>
<td>6,554,019</td>
<td>3,455,751</td>
<td>-</td>
<td>10,009,770</td>
<td>12.37</td>
<td>-</td>
</tr>
<tr>
<td>SOFT DRINKS</td>
<td>4,053,600</td>
<td>929,188</td>
<td>-</td>
<td>4,982,788</td>
<td>6.16</td>
<td>-</td>
</tr>
<tr>
<td>MISCELLANEOUS</td>
<td>- 3,816,812</td>
<td>-</td>
<td>-</td>
<td>3,816,812</td>
<td>4.72</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

TOTALS                    | 38,421,479  | 44,232,139 | 1,756,796 | 80,896,822 | 100.00                  | 100.00     |

NATIONAL PERCENTAGES 47.49% + 54.68% = 2.17% = 100.00%

AVERAGE FOOD COST IN GRENADA IN 1980 WAS E.C.$2.02/person/day.

AVERAGE FOOD COST IN LA POTERIE IN 1972 WAS E.C.$0.40/person/day.

(Aproximately E.C.$1.38 in 1980 with inflation of 16-17% per year.)

SOURCES: 1) Statistical Office, Ministry of Agriculture; St. George's.
2) Imports by STIC; Central Statistical Office, St. George's.
# Table 4 - A Comparison of Imported, Processed and Animal Origin Foods

<table>
<thead>
<tr>
<th></th>
<th>Energy (kcal)</th>
<th>Protein (gms.)</th>
<th>Cost (EC$)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Imported</td>
<td>1681 76.60%</td>
<td>54.6 76.60%</td>
<td>$1.10 54.70%</td>
</tr>
<tr>
<td>2) Processed</td>
<td>1535 69.98%</td>
<td>47.9 67.13%</td>
<td>$1.28 63.51%</td>
</tr>
<tr>
<td>3) Animal Origin</td>
<td>389 17.75%</td>
<td>35.2 49.41%</td>
<td>$0.69 34.02%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2194 100%</td>
<td>71.3 100%</td>
<td>$2.02 100%</td>
</tr>
<tr>
<td><strong>La Potersie</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Imported</td>
<td>742 36.10%</td>
<td>22.1 50.50%</td>
<td>$0.47 34.30%</td>
</tr>
<tr>
<td>2) Processed</td>
<td>949 58.94%</td>
<td>25.0 52.55%</td>
<td>$0.49 49.98%</td>
</tr>
<tr>
<td>3) Animal Origin</td>
<td>160 9.96%</td>
<td>13.4 30.60%</td>
<td>$0.47 34.10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1610 100%</td>
<td>43.8 100%</td>
<td>$1.38 100%</td>
</tr>
<tr>
<td><strong>CFNI Recommended</strong></td>
<td>2342 kcal.</td>
<td>58.0 gms.</td>
<td></td>
</tr>
</tbody>
</table>

**Cash Income** - Grenada (National) EC$320/yr. (1970)  
- La Potersie  
  EC$160/yr. (1972)

**Sources:**
2. Imports by SITC, Central Statistical Office, St. George's.

**Notes:**
1. The La Potersie Nutrition Survey of 1972 was chosen for comparison with national statistics for two reasons. One, as a rural area, La Potersie is more representative of the income and consumption patterns of the rural majority in Grenada. Two, it is the ONLY detailed study of income and food consumption available for a lower income group.

2. Care must be taken in the comparison of food expenditures and income data since different years are involved, and discrepancies in inflation factors and retail price index weights from actual consumption patterns could distort the adjustments I have made in order to compare the data from the 1972 La Potersie Survey with the 1960 data.
TABLE 5 — CONSUMPTION OF FOOD GROUPS IN LA POTERIE (PER CAPITA, PER DAY) — 1972

<table>
<thead>
<tr>
<th>FOOD GROUPS</th>
<th>RANGE</th>
<th>AVERAGE</th>
<th>% DAILY COST</th>
<th>% ENERGY</th>
<th>% PROTEIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals, grains</td>
<td>10-329 gm.</td>
<td>150 gm.</td>
<td>15.5%</td>
<td>30.2%</td>
<td>28.3%</td>
</tr>
<tr>
<td>Roots, starchy foods (mainly green, banana)</td>
<td>97-1124.</td>
<td>395.0</td>
<td>14.8</td>
<td>24.3</td>
<td>13.1</td>
</tr>
<tr>
<td>Sugar</td>
<td>2.3-97.0</td>
<td>43.7</td>
<td>3.9</td>
<td>9.1</td>
<td>0</td>
</tr>
<tr>
<td>Pulses, nuts (mainly coconuts)</td>
<td>3.8-350</td>
<td>34.0</td>
<td>3.1</td>
<td>5.6</td>
<td>2.0</td>
</tr>
<tr>
<td>Vegetables (predominantly green, pigeon peas)</td>
<td>0-465</td>
<td>137.0</td>
<td>18.8</td>
<td>9.0</td>
<td>22.7</td>
</tr>
<tr>
<td>Fruit, fruit juice</td>
<td>1.2-10</td>
<td>12.3</td>
<td>0</td>
<td>4.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Meat, fresh, salted, poultry</td>
<td>0-114</td>
<td>26.7</td>
<td>15.4</td>
<td>3.6</td>
<td>11.4</td>
</tr>
<tr>
<td>Fish, fresh, salted, canned, smoked, cod</td>
<td>3.5-81</td>
<td>28.4</td>
<td>14.5</td>
<td>3.2</td>
<td>12.6</td>
</tr>
<tr>
<td>Eggs</td>
<td>2.2-15.3</td>
<td>1.1</td>
<td>0.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Milk &amp; products (whole milk equivalent)</td>
<td>2.0-97</td>
<td>35.3</td>
<td>3.9</td>
<td>2.9</td>
<td>6.6</td>
</tr>
<tr>
<td>Oils, fats</td>
<td>0-28.4</td>
<td>11.2</td>
<td>7.6</td>
<td>5.5</td>
<td>0</td>
</tr>
<tr>
<td>Miscellaneous (cocoa, chocolates)</td>
<td>0-33</td>
<td>13.2</td>
<td>2.1</td>
<td>2.2</td>
<td>3.1</td>
</tr>
<tr>
<td>TOTALS</td>
<td>887.9 gm.</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

AVERAGE CALORIE CONSUMPTION PER PERSON PER DAY WAS 1,610 kcal. (CFNI recommends 2,342 kcal.)

AVERAGE PROTEIN CONSUMPTION PER PERSON PER DAY WAS 43.8 grams. (CFNI recommends 58.0 gm.)

SOURCES:
- Caribbean Food and Nutrition Institute, La Poteire Nutrition Survey, May 1972; St. George's, Grenada; Table 11.2.
- CFNI; Food Composition Tables, Kingston Jamaica, 1974.
As can be seen from the Tables, there is a heavy reliance on imports of only a few items for both food energy and protein. Imported fish, meat, dairy products, wheat flour and sugar, constituted 56% of food energy consumption and 66% of protein consumption. These same items made up 61% and 81% of the total food energy and protein respectively which was consumed in 1980. Wheat flour alone represented about 30% of both food energy and protein supplies and was entirely imported, although the recently completed flour mill now processes most local flour requirements with imported wheat.

The imported content of average household food consumption in La Poterie is much lower than the national average and, (with the exception of wheat flour) is lower in each food category as well. In comparing the average cash and total household incomes in La Poterie and Grenada as a whole, it is evident that food consumption patterns are closely related to income, with higher income consumption patterns having a higher imported content. This relationship is even more skewed with respect to consumption of higher cost imported animal foods (meat, fish and dairy products), where national consumption is much higher than in La Poterie. (See Table 4) While these comparisons are for different years, and therefore for different income levels, ECLA figures for 1973/75 confirm the basic differences in patterns. (ECLA, 1977:192) In general, lower income groups rely more heavily on root crops, starches and pigeon peas for energy and protein, and consume less animal origin foods.
With respect to nutritional needs, the Caribbean Food and Nutrition Institute has recommended a minimum daily intake of 2342 kilocalories per person per day and 58 grams of protein per person per day, based on the 1970 age/sex composition of Grenada's population (CFNI, 1972:11-4). Thus while food consumption in Grenada as a whole almost meets the recommended nutritional requirements, lower income groups (such as in La Poterie) have deficient diets, especially with respect to protein consumption.

In comparing consumption in La Poterie and nationally, it is also necessary to take into consideration the relative amounts of animal origin foods, since seven plant calories are required to produce one calorie of food energy of animal origin (UNCTAD, 1980:4). This means that actual food energy consumption in Grenada and La Poterie, both direct and indirect, is 4530 kcal/person/day and 2547 kcal/person/day respectively; a ratio of 1:0.56 vs the direct energy consumption ratio of 1:0.73. It is interesting to note that total demand for food energy in the industrialized market economies in 1979 was 9,600 kcal/person/day indirect and 3,873 kcal direct (UNCTAD, 1980:4), or more than twice that of Grenada's national average and 3.8 times that of La Poterie.

It is clear from these figures that low income diets, which tend to use food energy more directly, without the "waste" associated with meat production and excess processing, require...
fewer resources than those needed to satisfy higher income, higher calorie diets. This diversion of resources to high income consumption patterns blocks or prolongs efforts to adequately feed the entire population of Grenada.

Given these patterns of food consumption, that is greater consumption of imports, processed foods and animal origin foods in higher income diets, we now turn to an examination of the factors which create them.

INCOME DISTRIBUTION AND DEMAND

Primary among the factors affecting food consumption patterns is the question of income distribution, or more specifically, the effect of income elasticity of demand under conditions of unequal income distribution. For all goods, an increase (or decrease) in income will result in a greater (or lesser) demand at the same price. Generally speaking, food has a lower income elasticity of demand than manufactured goods. (Mansfield, 1970:92) As incomes increase, a lower percentage of expenditures will go towards food and more towards manufactured goods.

Table 6 below provides an estimate of income distribution in Grenada based on the 1970 Census.
### TABLE 6 - ESTIMATED INCOME DISTRIBUTION IN GRENADA, 1970

<table>
<thead>
<tr>
<th>Annual Income Range</th>
<th>No. of Wage Earners</th>
<th>% of Wage Earners</th>
<th>Total Est. Income</th>
<th>% of Est. Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>No income or not stated</td>
<td>21,695</td>
<td>49.1%</td>
<td>EC$ 0</td>
<td>0%</td>
</tr>
<tr>
<td>EC$0-1,500</td>
<td>17,036</td>
<td>38.5%</td>
<td>12,914,000</td>
<td>44.1%</td>
</tr>
<tr>
<td>1,500-5,000</td>
<td>4,891</td>
<td>11.1%</td>
<td>11,769,750</td>
<td>40.2%</td>
</tr>
<tr>
<td>5,000 plus</td>
<td>487</td>
<td>1.3%</td>
<td>4,589,000</td>
<td>15.7%</td>
</tr>
<tr>
<td>TOTALS</td>
<td>44,209</td>
<td>100.0%</td>
<td>29,275,750</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

**Source:** 1970 Census, University of the West Indies, St. Augustine, Trinidad.

**Note:**
1) Wage income has been estimated by multiplying the median income in each range (0-500;500-1000;1500-2000, etc.) by the number of wage earners in each group. Sixteen groups in the census tables have been consolidated into the above four income ranges for the convenience of presentation.
2) Income distribution data from the 1970 census is the most recent available since the 1980 census was not undertaken due to a lack of funds. Although the structure of the Grenadian economy has changed in the intervening thirteen years, there is no indication that income distribution has improved significantly enough to change the basic pattern of food consumption noted here.

As noted above, within food expenditures the demand for certain foods such as meat and processed foods will increase as income increases. (Beckford, 1972:197) This is substantiated in the case of Grenada where the above data shows that consumption of imported food energy and protein for the low income group was 44% and 40% respectively of the national average consumption of imported food. Low income diets incorporated 40% and 38% respectively of the animal origin food energy and protein found in the national average.
Since incomes in Grenada have generally risen over the past two decades, diets have changed and consumption of processed and imported foods have increased at a greater rate than the increase in demand for Grenada's agricultural exports (nutmeg, cocoa and bananas). Food imports as a percentage of the value of total imports increased from 21.4% in 1949, to 28.4% in 1970 and to 32.6% in 1980. (HMSO, 1953:244; World Bank, 1978:312,313; World Bank, 1982:120) The value of imported food as a percentage of total domestic agricultural product has increased from 52.4% in 1960, to 67.5% in 1970, to 73.2% in 1980. (World Bank, 1978:312,313,290; World Bank, 1982:113,114,120) These statistics clearly show an increase in dependence on imported food over the past two decades. Local food processing has not developed to the extent necessary to offset the loss of surplus due to adverse terms of trade between primary agricultural exports and manufactured imports. (1)

A number of reasons can be found for this increase in the import of processed foods. With growing urbanization and industrialization, there is a tendency to substitute factory wage labour in food processing for unpaid home labour in food preparation and preservation. The effect of growing numbers of working women and greater access to kitchen appliances in

---

(1) For example, Prime Minister Bishop recently noted that in 1972, one tonne of nutmeg would purchase an automobile, whereas in 1982, five tonnes of nutmeg had to be sold to earn sufficient foreign exchange to import the same car. (Caribbean Contact, September 1982:13)
developed market economies and the upper income classes of less developed countries are also major factors in the trend toward increased consumption of processed foods. Another major factor, perhaps the most important, is the food industry’s struggle to maintain or increase its competitiveness and share of disposable income against other, faster growing industrial demand, through demand creation rather than through adoption of new cost reducing technology. (UNCTAD 1980:6) Since elasticity of demand is low or even negative for many foods in the higher income markets with the greatest purchasing power, then demand creation, rather than price competition becomes the more important mechanism whereby the food processing industry can maintain or increase its income. The dynamics of the industry are thus dominated by upper income demand rather than basic foods, which meet the needs of the majority of the population and can be more easily produced locally.

The structural imbalance between primary exports and manufactured imports noted above can be reversed or at least diminished by two approaches: Grenada could increase the volume and therefore the value of its agricultural exports at a faster rate than the increase in import volume and costs; or imports could be reduced through reduced consumption and/or import substitution. In reality, a combination of both approaches will most likely be necessary. The first approach is unlikely to succeed on its own given the small size of the island and the difficulties of expanding agricultural production beyond certain
limits. The historic trend has been for imports to grow faster than exports in most developing countries, and Grenada is no exception. (Beckford, 1972:194) The limitations of land resources are discussed in Chapter Four below. The second approach, reduced consumption and/or import substitution, is discussed in the following section.

ECONOMIC, TECHNOLOGICAL AND MARKET DYNAMICS FACING GRENADA'S FOOD INDUSTRY

As we have seen above, unequal income distribution and differing income elasticities of demand for processed versus basic foods have created a structural imbalance in Grenada's food consumption in favour of imported, processed foods. Table Seven below outlines the extent of this imbalance. If Grenada is going to reduce this imbalance, it must narrow income disparities and make greater quantities of inexpensive basic foods available to the low income majority of its population which does not have the purchasing power to compete for commodities in the market under current conditions.

<table>
<thead>
<tr>
<th></th>
<th>Local Production</th>
<th>Imports</th>
<th>Total Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Energy</td>
<td>27.03%</td>
<td>82.12%</td>
<td>69.98%</td>
</tr>
<tr>
<td>Protein</td>
<td>0.79%</td>
<td>87.39%</td>
<td>67.13%</td>
</tr>
<tr>
<td>Expenditure</td>
<td>37.06%</td>
<td>83.96%</td>
<td>63.51%</td>
</tr>
</tbody>
</table>

Sources: Tables One to Five above.
If any such programme is to succeed, a major element of it must be the reduction of imports of nutritionally "wasteful" foods in order to release scarce foreign exchange resources for investment in local production of both basic and processed foods and/or imports of basic foods. Two factors make this import substitution difficult. First, the prices and quality of imported, processed foods are likely to be more attractive than local products, especially in the beginning. Secondly, demand for certain types of food has been artificially created by the international market and is not necessarily closely related to price and quality. As can be seen from the above data, despite distortions which favour upper income diets, low income groups also consume significant quantities of imported, processed foods. Thus it is not simply a matter of banning the import of certain goods, as Guyana is now discovering. Alternative supplies and production must be assured if considerable hardship and/or political unrest is to be avoided. Wide access to the media, especially commercial radio stations outside Grenada, and contacts with tourists and family abroad mean that artificially created demand for nutritionally "wasteful" foods exists in low income diets as well, although perhaps not to the same degree as with upper income groups. The openness of the Grenadian economy and centuries of colonial influence have compelled the local food production and processing industry to compete under international market conditions.
Relying thus on western technology for equipment and many minor yet necessary inputs which cannot be produced locally due to the size of the market, Grenada's food industry is often obliged to use technologies which reflect the factor costs of North American and European markets, rather than its own mixture of resources and factor costs. Capital intensive technology, which cannot use local raw materials as efficiently and may raise costs over alternatives which use more local labour, can be inadvertently subsidized by tax incentives, credit facilities or the provision of industrial infrastructure to attract investment. Inappropriate technology might also be forced on local industry by licensing agreements with transnational corporations which take advantage of their control of markets and advertising. The degree to which overcapitalized technology is used in the Grenadian food processing industry is discussed below.

An understanding of the dynamics of the international food processing industry is important in any attempt to develop a Grenadian industry which must compete against imports. An overview of these dynamics is therefore useful at this point. Table Eight below shows the dominance of the world food and beverage industry by the developed market economies. It should also be noted that about one third of the food processed outside the centrally planned economies is produced by large corporations, that is, those with food processing revenues greater than US$500 million per year. (UNCTC, 1981:5)
TABLE 8 - STRUCTURE OF THE WORLD FOOD AND BEVERAGE INDUSTRY

<table>
<thead>
<tr>
<th></th>
<th>DME's</th>
<th>CPE's</th>
<th>LDC's</th>
<th>TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>OUTPUT</td>
<td>54.4%</td>
<td>32.1%</td>
<td>13.5%</td>
<td>US$695 B</td>
</tr>
<tr>
<td>VALUE ADDED</td>
<td>57.3%</td>
<td>29.4%</td>
<td>13.3%</td>
<td>US$196 B</td>
</tr>
<tr>
<td>EMPLOYMENT</td>
<td>56.8%</td>
<td>19.7%</td>
<td>43.5%</td>
<td>22,387 M</td>
</tr>
</tbody>
</table>

SOURCE: Table 1, U.N. Centre for Transnational Corporations, "Transnational Corporations in Food and Beverage Processing", U.N., New York, 1981 (UN/CTC/19)

NOTE: DME - Developed Market Economy, B - Billion, CPE - Centrally Planned Economy, M - Million, LDC - Less Developed Country

The growing concentration of world food production and processing into larger production units is changing the economics of the industry in favour of more capital intensive technology, with packaging and advertising becoming as important in some sectors as price, quality and nutritional value in determining sales and market shares. (UNCTC, 1981:10) Concentration of production and processing has not proceeded as rapidly as in manufacturing and industry however, and tends to take place more at the subsector level (e.g., dairy or cereals) than in the industry as a whole. The supply and transport requirements of many perishable foods and raw materials, plus the need to tailor many products to final consumer demand (which varies according to national, regional and local conditions) have allowed a substantial number of small and medium sized production units to maintain a share of the market in the face of corporate
concentration in the industry as a whole. (UNCTAD, 1980:10) This means that a broader range of technology, equipment and other inputs is available to the Grenadian food industry than in the energy or transportation sectors for example, where a higher degree of oligopoly exists.

New developments in biotechnology and food "engineering" however may reduce the market share of small local producers, as patenting becomes more prevalent in production technology. (UNCTAD, 1980:24) This would then be combined with the domination of marketing by the transnationals to increase corporate concentration in the food industry as a whole. As it stands now however, equipment and processing technology is generally medium or even small scale at the plant level, and thus more accessible to and flexible for Third World producers. Problems tend to be related more to information on sources and costs of production equipment and technology and less on restricted access due to transnational control of technology, as is the case in other sectors.

The equipment and technology available to the food processing industry in Grenada has considerable influence on costs and therefore on the price of local products which compete against imports. An example of the problems faced by the industry comes from the experience of an agro-industrial plant opened by
the government of Grenada in the fall of 1981. (1)

The used equipment available (which was purchased through an agent in Miami) was too mechanized, required greater skills for operators and made parts supply more expensive and difficult than equipment available elsewhere. Cheaper, simpler equipment is available in Asia, but oligopolistic distribution and spare parts networks have given U.S. and British suppliers an edge in Grenada. Some of the machines purchased were oversized (pasteurizers, can formers, peelers) since smaller scale designs are not easily found (or do not exist) in the larger, more concentrated U.S. and U.K. markets. Many pieces of equipment could be competitively designed and produced locally from components if a decent machine shop were available and well organized to respond quickly to orders. Almost all packaging material (cans and boxes) and equipment is imported, as are many other inputs such as pectin, citric acid, sugar, salt, starches and chemical preservatives.

These problems are similar to those faced by the Caribbean food industry generally. A study by Dellimore and Whitehead found that foreign technology acquisition via licenses, plant design, equipment selection and installation, and process design and information, have played a major role in the Caribbean food processing industry. (Dellimore and Whitehead, 1979:327) The

(1) This information was obtained from interviews in August of 1981 with the Grenadian technologist responsible for design and equipment selection at the government plant.
study made it clear that the dynamics of technological choice centre around consumer technology and the primary role of tastes and preferences in demand, and thus in production and product choices. They note that factor costs for capital, engineering and technology imports were either overpriced or subsidized in relation to other factors of production as a result of their control by foreign transnational capital. The impact of this distortion of factor costs on technological choice and capacity, employment and linkages to local raw materials utilization were also clear and negative.

Dellimore and Whitehead cite several concrete examples of inappropriate technological choice resulting from foreign influenced technology and product choice. One is the demand for white wheat flour, bread, which results in the importation of standard technologies and equipment for the baking of hard wheat flour only. These technologies make it difficult to begin a progressive substitution of composite flours as a means of saving foreign exchange and stimulating local agricultural production. Another is the selection of multipurpose driers which rely on electricity and/or expensive fossil fuels. While they may be competitive for expensive processed or convenience foods, these driers are too costly to operate in the drying of inexpensive local fruit and vegetable products. Thus overcapacity in a small market cannot easily be offset by making the driers economically as well as technically multipurpose. (Dellimore, 1979:62, 63)
An interview with a senior employee of a transnational corporation is illustrative of the difficulties which can be expected in the transformation of that part of the industry that is foreign dominated.

He admitted to having access to the product formulations of all products manufactured by the TNC, both local and overseas, and was largely responsible for reformulating them to suit the local market. He also knew how to obtain equipment at half the cost paid by the subsidiary of the TNC. Yet, in spite of his privileged position in comparison to other would-be entrepreneurs, he indicated he did not feel able to take advantage of it by going into production in competition with his present employer. Though he could produce as good a product and had no strong feeling of loyalty to his employer, he felt that without an established brand name behind him, it would cost a fortune in advertising to enter the market successfully. (Wellmore and Whitehead, 1979:145)

The importance of consumer technology and demand creation in transnational growth and therefore in obstruction of local self-reliance, is brought out clearly by an UNCTAD survey which found that plant sizes in the food industry tended to be of medium scale at the most, and that unit costs did not rise significantly at below optimum scale. (UNCTAD, 1980:11) The leading firms in the industry however were many times larger than would be justified by efficiencies based on economies of scale on the production side. Furthermore, only 0.5% of food sales revenues were spent on research and development of new products, yet up to 8% of sales revenues was spent on advertising. An average of 4% was spent on research in the manufacturing sector as a whole. Any tendency to oligopoly then must be attributed to promotion and distribution, since significant economies of scale do not exist.
on the production side. (UNCTAD, 1980:11)

As noted above, a major problem which must be faced in Grenada's development of a self-reliant food processing industry is the area of demand creation in international markets. This is not meant to minimize the higher production and transport costs which will face the industry, but to point out that an equal or even greater problem lies with the consumer technology associated with demand creation and consumer expectations in an open economy.

Grenada is exposed to this demand creation through the media, tourism and migration, as well as via the preponderance of imports in its food consumption. For example, in addition to the government owned Radio Free Grenada which accepts commercial advertising, Grenadians receive and listen regularly to Radio Trinidad and Radio Antilles, both commercial stations with strong advertising content. The Voice of America is also easily received from its AM transmitter in Antigua. Trinidadian television can also be watched by those with televisions, and, in fact, is rebroadcast in part by Television Free Grenada. Trinidadian and Barbadian daily newspapers are available and "international" newsmagazines such as Time and Newsweek are sold in Grenada. In the following sections, the characteristics of advertising and tourism which affect demand for food in Grenada will be examined.
THE MEDIA AND FOOD CONSUMPTION IN GRENADA

William Demas has made the following comment on the role of the media in promoting inappropriate consumer demand in the Caribbean:

> Any honest and clear-minded view of the role of the mass media as they operate at present in the region will show them as instruments for selling metropolitan consumer goods produced either in the advanced countries or in the Caribbean under license, for homogenising the population of the region for induction into a second-rate kind of mass commercial culture, and for effectively blocking the emergence of a genuine Caribbean identity. (Demas, 1975:21)

No specific research on food advertising in the media in Grenada was available for this study. However, the Dellimore and Whitehead study did look at food advertisements in the ECCM, including those in a privately owned Grenadian newspaper for the period January to March 1977. (1)

Of food products advertised in the ECCM, 50.0%, 34.2%, and 15.8% were foreign, regionally and locally manufactured, respectively. In the case of the 40 regional food processors surveyed, 81.0% of the value of their total major agricultural inputs was foreign, representing 39.2% of the value of their output. (Dellimore and Whitehead, 1979:345) Of the regionally produced products advertised by the 40 industries surveyed, 67.5%

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(1) My own observations during three years residence in the Caribbean and two subsequent research trips to Grenada lead me to the conclusion that Dellimore and Whitehead's results hold generally true for Grenada.
and 63.8% were luxury and import intensive respectively. (Dellimore and Whitehead, 1979:140) Of product characteristics stressed in advertisements, the study found that 12.5% of the products advertised were associated with foreign acceptance or reputation, followed by national acceptance or reputation (9.5%), "snob value" (6.1%), and consumer welfare (6.6%), although this latter category includes such welfare indicators as virility and refreshment. (Dellimore and Whitehead, 1979:143) The study also notes that as many as two to five thousand different food products are being sold in Barbados and the ECCM, but that the number of distinct product characteristics which are perceived by consumers in making choices may be fewer than one hundred. (Dellimore and Whitehead, 1979:138)

It has been noted that considerable transnational penetration and corporate integration, rather than Caribbean integration, have occurred in the past fifteen years as a result of CARICOM tariff barriers. (Thomas, 1977:15) With regional and local production and imports dominated by foreign, mainly transnational corporations, it is interesting to note the influence of transnationals on the media in Latin America where some more precise data is available. A recent study of radio and television advertising in Latin America showed that approximately 80% of ads in Mexico in 1971 were for transnational products. In 22 Latin American daily newspapers in 1980, transnational corporations took up 31% of all advertising space, and as high as 50% in some cases. (NACLA, 1982:28) The study also noted that
freedom of the media, traditionally defined as the "freedom to seek, receive and impart information and ideas through any media" (U.N. Universal Declaration of Human Rights, 1948) has been seriously impinged upon through the development of oligopolistic information structures and infrastructure oriented toward commercial ends, with the technological capacity to violate cultural sovereignty without a conscious response by the affected countries (e.g., direct satellite transmissions). (NACLA, 1982:5-11)

There is no reason to believe that the demand creation which we have seen as so important in the dynamics of the international and Caribbean food industry is not equally present and crucial in Grenada's food consumption.

THE IMPACT OF TOURISM ON FOOD CONSUMPTION AND PRODUCTION IN GRENADA

The tourist industry is another factor which influences Grenada's food consumption patterns, in addition to international markets, technology transfer and the media. While food consumed by tourists is only a tiny portion of national consumption, it will be shown that tourism has a potential demonstration effect far beyond its quantitative impact. The following section examines the size and nature of tourist food consumption as it affects Grenada's consumption patterns.

Of total "meal-days" measured for Grenada in 1980, only
0.76% came from stayover and cruise visitors. (World Bank 1982: Table 7.1) In 1978 this figure was 1.0%. Even allowing for much higher per capita calorie and protein consumption, say 9,600 calories per day versus 4,550 (see p. 130 above), tourist food energy consumption was only 1.6% of total "calorie-days" in 1980. The relative insignificance of tourist food consumption in terms of volume means that it is unlikely to be a substantial stimulus to local agricultural production. Increased local incomes and food consumption will have a much greater marginal impact on local agriculture than will tourism.

However, tourist demand can affect Grenada's food consumption and production in other ways which may be very significant. Tourist expenditures of an average US$50 per person per day influence local conditions in a number of areas: demand for highly processed foods with "international standard" quality; transfer of inappropriate technologies to meet these "international standards"; importation of mass consumer technology to the extent that mass tourism forms at least a part of the Grenadian "market"; creation of a demonstration effect on wage and income expectations and therefore on local labour costs and supply.

The characteristics of the tourist industry in Grenada

(1) Meal-days is a measure of the number of meals consumed by the local and tourist population of Grenada. For example, Grenadians consumed 109,664 (population) x 3 (meals/day) x 365 (days/year) or 120,082,080 meals in 1980.
are such as to produce both negative and positive influences with respect to local production and self-reliance. For example, leakages from tourist expenditures have been estimated at approximately 30% (World Bank, 1979:16) as compared to about 70% for Antigua. (1) The 1978/79 Expenditure and Motivation survey showed that only 20% of visitors came on prepaid package tours (mass tourism) and that over 30% had visited Grenada previously. (Belfon, 1980: passim) Hotels are generally small, with 10 to 20 rooms each (a total of 650 rooms), and are designed to serve "upper-bracket" tourists while guest houses cater mainly to regional tourists. (World Bank, 1982:2) The industry generates about 10% of GDP, 50% of foreign exchange earnings and directly or indirectly employs some 6% of the labour force. (World Bank, 1982:2) Occupancy rates are quite low, averaging 32% of beds and 54% of rooms in 1978. (World Bank, 1979:16) Modern sector wages (factory) were 2.2 times agricultural wages in 1973. (World Bank, 1978:266) Hotel maids, waiters, cooks, and other unskilled and semi-skilled tourist industry staff earned roughly ECS$14/day in September 1980, as compared to ECS$8/day for agricultural labourers, or 1.75 times more. (Ministry of Labour statistics, August 1981)

As suggested above, Grenada's tourist industry is

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(1) Calculations for Antigua were made from a well-known multiplier formula (Levitt and Gulati, 1970:326) and World Bank data for 1978. It is likely that the structure of Grenada's hotel industry, which is smaller and locally owned, as compared to the larger, foreign owned industry in Antigua, is the main reason for this difference.
overcapitalized in the form of excess capacity (rooms), and hotel owners are likely to make up for higher capital costs through reduced labour costs. The result has been a tendency to utilize capital intensive technology which saves on labour costs and which, in terms of food supply, also requires greater use of processed foods which are less likely to be available locally. The upper income classification of some 50% of stayover visitors tends to reinforce demand for highly processed foods. On the other hand, smaller hotels can more easily find local suppliers capable of providing smaller quantities of given items (steaks for example) than can the large chains such as Holiday Inns.

The availability of foreign exchange earnings from the tourist industry in Grenada’s still open economy is a further incentive to import food rather than to produce it locally. Similarly, the receipt of personal remittances either in cash or as gifts from Grenadians living abroad (some 33% of foreign exchange receipts in 1980!(1) ) has a tendency to make imported foods and other imported consumer goods both better known to and desired by the local population. There is a possibility that government regulation of foreign exchange allocations could be used to reduce the negative impact of indiscriminate importation in an open economy.

(1) Personal communication from Planning Ministry staff, August 1981
CONCLUSION

In conclusion, a comparison of detailed food consumption data shows that a substantial difference in consumption patterns exists between a low-income group such as that in La Poterie, and the national averages. By implication, higher income consumption patterns have a substantial effect on the national averages.

The greater degree of processing and "wasteful" animal origin content in higher income diets diverts available national resources for food away from those sectors of the population which rely more heavily on local production and which may not be able to afford to purchase as much in the marketplace or consume as much imported food. The dynamics of international food markets, dominated as they are by high income North American and European diets, as well as the underdevelopment of local forces of production, operate so as to ensure a continuation of this imbalance. The technology and equipment available to the Grenadian food industry is increasingly capital intensive as a result of transnational control. Greater fixed capital costs make it more difficult then to include local inputs or to take advantage of seasonal variations and to adjust production to match the local market. Reduced local linkages, inefficiency and higher costs are the inevitable result.

Tastes and demand in Grenada for the highly processed and animal origin foods which dominate the North American and
European markets are influenced by the media, tourism and migration. Since local production of these foods is expensive in relation to imports, self-reliance is made more difficult and consumption is excessively influenced by the better off sectors of the population which have the purchasing power to buy imported foods. While this may be economically "efficient" in the short-term use of scarce, foreign exchange, it is inefficient nutritionally and with respect to the creation of long-term economic stability and growth. The convergence of demand with nutritional needs is therefore an important objective in the long run and deserves equal importance with the more traditional and widely recognized need to converge production with local resources.

The following chapter will examine the second "iron law of convergence" referred to by Thomas, that of the linkages necessary between local resources and local production and consumption. It will also incorporate the influences which weak linkages between consumption and needs, as outlined in this chapter, have on the resources required to meet the local demand for food.
CHAPTER FOUR

LINKING RESOURCES AND DEMAND IN GRENAIAN AGRICULTURE

In planning agricultural self-reliance along the lines indicated by the model in Chapter One, the use of local resources for local consumption must be a major objective. This is Thomas' first "iron law of transformation": the convergence of resource use with demand. In this chapter, it will be argued that Grenada's pattern of land use, focused as it is on export production and based on a highly unequal distribution of land, creates particular problems for the convergence of local production and local consumption of food. These problems include the distortion of domestic agricultural productivity by international markets, as a result of the heavy focus on export production. They also involve the waste of a substantial quantity of land which is left idle because of circumstances introduced by internal class relations and by international market conditions.

Data will be presented below which outlines current land use in Grenada and confirms the three characteristics noted above, that is: a predominance of export production, highly skewed ownership patterns and the existence of considerable idle land. The problems which these land use patterns create for agricultural productivity will then be discussed, particularly as they relate to the three main groupings of producers: small farmers, private estates and state farms. Finally, the problem of
consumption structures covered in the preceding Chapter will be linked to current land use through an analysis of the hypothetical land and labour requirements for agricultural self-reliance under two different sets of consumption requirements. This will clearly establish the inseparable link between Thomas' two "iron laws of transformation", the convergence of resource use with demand, and the convergence of needs with demand.

This final point, the chain of relationships between resources, demand, consumption and nutritional needs highlights the interrelated nature of development planning. To this chain, must be added the question of class relations, since demand and consumption are dependent on income, which in turn is dependent on access to the means of production, or in other words, on the distribution of economic resources within the social formation. Thus this third study (of agricultural resources) will allow us to bring together the three analyses of class, food consumption and agricultural resources in the next and final Chapter.

CURRENT LAND USE

Current land use in Grenada is characterized by three main features: a highly unequal distribution of ownership, a devotion to export crops rather than local food crops and a high proportion of idle land. As can be seen in Table Eleven below, land ownership is very unequal, with only 0.3% of all holdings,
representing estates of 100 acres or more, containing 31% of the cultivated land in 1981. The dominance of export crops is demonstrated in Table Nine, which shows that 80% of the 14,804 ha. estimated in cultivation at the end of 1981 was devoted to the three major export crops: banana, cocoa and nutmeg. With respect to idle land, the total cultivated acreage fell from 24,079 ha. in 1961 to 13,697 ha. in 1981; a drop of 43% over 20 years. (Weir, 1974:13; Ag. Census, 1981:3). In addition to this land taken out of production, it has been estimated that approximately 30% of cultivated farmland (some 3,980 ha.) was lying idle in 1981. (1)

(1) This estimate was made from a revision of Brierley's 1981 findings (5,704 idle ha.) with more current data on Grenada Farms Corporation land used for the larger holdings. (Brierley, 1981:28; GFCa, 1981:26)
<table>
<thead>
<tr>
<th>CROP/FOOD</th>
<th>AREA 1981 (HA.)</th>
<th>LOCAL PRODUCTION (KG.)</th>
<th>EXPORTS (KG.) 1980</th>
<th>IMPORTS (KG.) 1980</th>
<th>DOMESTIC CONSUMPTION (KG.)</th>
<th>LOCAL PROD./ DOM. CONS. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FISH</td>
<td>-</td>
<td>1,590,909</td>
<td>16,140</td>
<td>507,853</td>
<td>2,082,622</td>
<td>76.4%</td>
</tr>
<tr>
<td>MEAT</td>
<td>848 *</td>
<td>1,029,192</td>
<td>63,075</td>
<td>2,286,618</td>
<td>3,252,735</td>
<td>31.6</td>
</tr>
<tr>
<td>DAIRY</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>1,632,210</td>
<td>1,632,210</td>
<td>0</td>
</tr>
<tr>
<td>FLOUR/WHEAT</td>
<td>0</td>
<td>0</td>
<td>476,297</td>
<td>8,091,431</td>
<td>7,615,134</td>
<td>0</td>
</tr>
<tr>
<td>RICE</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>887,000</td>
<td>887,000</td>
<td>0</td>
</tr>
<tr>
<td>OTHER CEREALS</td>
<td>70</td>
<td>448,818</td>
<td>473,519</td>
<td>1,902,353</td>
<td>1,877,652</td>
<td>23.9</td>
</tr>
<tr>
<td>PIGEON PEAS</td>
<td>110</td>
<td>449,250</td>
<td>-</td>
<td>56,707</td>
<td>505,957</td>
<td>86.8</td>
</tr>
<tr>
<td>OTHER VEGETABLES</td>
<td>59</td>
<td>850,329</td>
<td>22,394</td>
<td>518,851</td>
<td>1,346,786</td>
<td>63.1</td>
</tr>
<tr>
<td>ROOT CROPS</td>
<td>167</td>
<td>1,165,360</td>
<td>-</td>
<td>593,644</td>
<td>1,759,004</td>
<td>66.2</td>
</tr>
<tr>
<td>BREADFRUIT</td>
<td>190</td>
<td>1,749,318</td>
<td>-</td>
<td>-</td>
<td>1,749,318</td>
<td>100.0</td>
</tr>
<tr>
<td>SUGAR</td>
<td>440</td>
<td>500,000</td>
<td>-</td>
<td>2,707,396</td>
<td>3,207,396</td>
<td>15.6</td>
</tr>
<tr>
<td>CITRUS</td>
<td>588 *</td>
<td>3,533,203</td>
<td>38,013</td>
<td>187,467</td>
<td>3,682,657</td>
<td>95.9</td>
</tr>
<tr>
<td>OTHER FRUITS</td>
<td>668 *</td>
<td>4,008,650</td>
<td>389,426</td>
<td>95,949</td>
<td>3,715,173</td>
<td>107.9</td>
</tr>
<tr>
<td>BANANA</td>
<td>1,400</td>
<td>16,363,636</td>
<td>12,458,505</td>
<td>-</td>
<td>3,905,131</td>
<td>100.0</td>
</tr>
<tr>
<td>COCOA</td>
<td>6,400</td>
<td>2,136,364</td>
<td>1,865,555</td>
<td>-</td>
<td>270,809 **</td>
<td>100.0</td>
</tr>
<tr>
<td>NUTMEG</td>
<td>4,000</td>
<td>2,493,770</td>
<td>1,518,426</td>
<td>-</td>
<td>975,344 **</td>
<td>100.0</td>
</tr>
<tr>
<td>COCONUT</td>
<td>1,380</td>
<td>1,818,182</td>
<td>-</td>
<td>5,000</td>
<td>1,823,182</td>
<td>99.7</td>
</tr>
</tbody>
</table>

3) Imports by SITC, Central Statistical Office, St. George's.

* ESTIMATED
** WHARREHOUSED AWAITING SALE
TABLE TEN: HISTORICAL DISTRIBUTION OF LAND HOLDINGS IN GRENADA

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>UNDER 10 ACRES</td>
<td>2,508</td>
<td>1</td>
<td>15,419</td>
<td>18,456</td>
<td>19,592</td>
<td>13,444</td>
<td>12,630</td>
<td>7,808</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-100 ACRES</td>
<td>3,000</td>
<td>8,176</td>
<td>8,349</td>
<td>1</td>
<td>426</td>
<td>457</td>
<td>303</td>
<td>560</td>
<td>469</td>
<td>365</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OVER 100 ACRES</td>
<td>516</td>
<td>143</td>
<td>138</td>
<td>125</td>
<td>130</td>
<td>92</td>
<td>65</td>
<td>24</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: Grenada Handbook, 1946: PASSIA
Statistical Office, Ministry of Agriculture, St. George's

TABLE ELEVEN: LAND DISTRIBUTION IN GRENADA, 1961 - 1981

<table>
<thead>
<tr>
<th></th>
<th>1961</th>
<th>1975</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>DE_HOLDINGS</td>
<td>ACREAGE</td>
<td>DE_HOLDINGS</td>
<td>ACREAGE</td>
</tr>
<tr>
<td>0-5 ACRES</td>
<td>12,510 (88.7%)</td>
<td>15,783 (26.2%)</td>
<td>11,289 (89.8%)</td>
</tr>
<tr>
<td>5-10 ACRES</td>
<td>934 (6.6%)</td>
<td>4,999 (10.0%)</td>
<td>741 (5.9%)</td>
</tr>
<tr>
<td>10-25 ACRES</td>
<td>348 (3.0%)</td>
<td>4,867 (9.7%)</td>
<td>343 (2.7%)</td>
</tr>
<tr>
<td>25-50 ACRES</td>
<td>100 (0.7%)</td>
<td>3,367 (5.6%)</td>
<td>75 (0.6%)</td>
</tr>
<tr>
<td>50-100 ACRES</td>
<td>42 (0.3%)</td>
<td>2,814 (4.7%)</td>
<td>51 (0.4%)</td>
</tr>
<tr>
<td>OVER 100 ACRES</td>
<td>92 (0.6%)</td>
<td>26,368 (43.8%)</td>
<td>65 (0.5%)</td>
</tr>
</tbody>
</table>

TOTALS        | 14,096 (100.0%) | 60,197 (100.0%) | 12,565 (100.0%) | 44,061 (100.0%) | 6,202 (100.0%) | 34,226 (100.0%) |

SOURCES: 1961 CUMBERBATCH, 1977:15
1975 BRIERLEY, 1981:13
Grenada has a total land area of 34,000 ha. (including Carriacou), of which some 10,000 ha. is either primary forest, or under residential, industrial or infrastructural use. (Ifill, 1977:5) The 10,388 ha. of unused land mentioned above, plus 3,980 ha. of idle farmland, or 14,368 ha. in total, represents 60% of the 24,000 ha. of cultivable farmland in Grenada. The reasons for this considerable waste of resources lie in a complex mixture of historic, political and economic conditions.

THE PROBLEM OF IDLE LAND

To understand the problem of land wastage in Grenada, it is helpful to look at which lands, or more appropriately, whose lands, is, or is not being cultivated, and why. Such a review exposes the particular political and economic dynamics which underlie the rural economy and thereby helps to identify the roots of the problem.

It has been noted that a disproportionately larger share of total agricultural production came from farms with less than 10 acres. Small farmers produced 50% of the cocoa, just under 50% of bananas, 63% of the nutmeg, 85% of food crops, 93% of sugar cane and 90% of coconuts in the late 1970's (Lefranc, 1980:23), although they held only 35% of total cultivated land in 1975. In addition, the data in Table Eleven shows that 73.5% of the land taken out of cultivation between
1975 and 1981 was from estates of over 100 acres. While only 4% of land in holdings under 10 acres went out of cultivation between 1975 and 1981, 40% of the estate land went out of use.

In studying the particular forces which influence Grenada's use of agricultural land, two principal themes appear: one, the dynamics of international export agriculture and two, the considerable difference in management practices by small and large farmers.

EXPORT AGRICULTURE

As noted above, some 80% of Grenada's farmland is devoted to export crops. This export orientation forces Grenadian farmers into price competition on international commodity markets where transnational corporations have extensive and often controlling interests. These corporations (TNC's) dominate processing and distribution (1) and are therefore often in a position to set prices, enforce supply contracts and conditions, and generally determine the economic conditions under which many export crops are grown.

This transnational control has an important influence on the choice of agricultural technology used in growing export crops. The TNC's objectives are to maximize the profit earned on their investments. Their tendency then is to develop, use and

(1) See Table 8 on page 137 for a review of the dominance of TNC's.
promote technology which will increase the productivity of their capital, focusing on yields per hectare rather than energy or labour productivity.

As an example, transnational market control influences agricultural research in the direction of improved capital efficiency. Thus cost reductions tend to involve modernization through hybrid seeds, chemical inputs (fertilizers and biocides) and mechanization, all of which focus on increased productivity of land. For example, of eighteen banana cultivation practices recommended by the Windward Islands Banana Association (WINBAN), eleven involve chemical or other imported inputs which increase productivity per hectare. (LeFranc, 1980:30) This is not surprising since WINBAN and the Island growers' associations, including the Grenada Banana Growers Association, are heavily influenced in their technical assistance programmes by Geest, the monopsony buyer of bananas in Grenada and the Windwards. (1)

Similar approaches are taken to increasing production of nutmeg and cocoa, with the growers' associations, marketing cooperatives and the Ministry of Agriculture emphasizing the introduction of improved varieties and increased use of fertilizer and pesticides for these crops. In the case of cocoa, this tendency has been reinforced by a Cdn.$7.3 million CIDA project under which a large proportion of the project budget has

(1) See Page 87 of Chapter Two for a discussion of the impact of Geest on cultivation practices.
been allocated for fertilizers and the dissemination of new varieties and clones over 63% of the existing cocoa acreage. (World Bank, 1974:35) As has been the case with the "green revolution" elsewhere, where land distribution is unequal, the benefits of increased yields per hectare have tended to go unequally to the owners of larger holdings. (Sarma, 1982:8)

Mechanization, which increases labour productivity (and returns to labour) is not as heavily stressed as chemical fertilizers and pesticides, ostensibly because small, fragmented and hilly plots cannot utilize machinery as effectively. This is the reason for the low levels of farm mechanization in Grenada, with only nine tractors being present on the island in 1975. (LeFranc, 1980:35) Too often mechanization is associated only with tractors and other expensive capital inputs, and not with improved hand tools, harvesting and processing equipment and other implements which could increase labour and small farm productivity. Current government plans do not yet seem to have progressed beyond the stage of increasing the availability of tractors which will mostly benefit larger holdings. (Louison, 1983)

In addition to favouring "green revolution" technology, a dependence on export crops also forces Grenada to rely more on food imports since not as much land is available for domestic food crop production. The terms of trade between Grenada's relatively unprocessed commodity exports and mainly processed
food imports drains surplus from the Grenadian economy. (1) Since Grenada is a middle income developing country (US$870 per capita GNP in 1981) and has a small but substantial upper income group with significant purchasing power (2), food consumption (especially imports) tends to have a higher income elasticity of demand than Grenada’s commodity exports of cocoa, nutmeg and banana. (Thomas, 1974:146) This means that as Grenadian incomes have risen, the demand for imported, higher value added food has increased at a greater rate than the demand for Grenadian primary agricultural exports.

The greater increase in demand for imports generally speaking has raised the cost of imports faster than the international market earnings of commodity exports. Unless the volume of production and sales of export commodities grows at a much faster rate than imports, there will continue to be a deficit in Grenada’s food trade, causing a drain of surplus from the economy.

(1) See Chapter Three, page 133 also for a discussion of this factor. The World Bank estimates that Grenada’s terms of trade decreased by 13% between 1975 and 1980. (World Bank, 1981:78)

(2) Twelve percent of the population in the upper income bracket (ECS1,500 plus per year) earned 56% of total estimated income in 1970, the latest year for which data is available. (See Table Six on page 131)
SMALL HOLDER VERSUS ESTATE AGRICULTURE

The second theme which appears in studying land use in Grenada is the different management practices used by small farmers and planters which have a considerable influence on agricultural productivity. Any discussion of increased food production must examine the different conditions and management practices faced by small and large producers. The question of large versus small farm efficiency is crucial to the planning process of any programme of self-reliant food production.

Agricultural practices are determined by the access farmers have to factors of production such as land, labour, technology and credit. As has been shown in Chapter Two, the distribution of these factors is itself a product of Grenada's historically developed social structure. Of course agricultural practices are also influenced by environmental factors such as soil quality, climate, water, solar energy and pests which are highly complex and interrelated in their impact on crop yields.

The management of all these factors is carried out through agronomic customs which often have cultural origins closely linked to decades or even centuries of experience. These agricultural customs are generally based on environmentally and scientifically sound practice which is both rational and efficient, given the particular constraints facing individual farmers. (Thomas, 1974:160; Greenwood, 1972:passim)
In comparing these practices, it has been pointed out that large estates are highly productive in their use of the land which they actually cultivate, whereas small holders are much more intensive in their use of labour and energy. (Reckford, 1972b:33) Since neither group has sufficient resources to meet all the demand for domestic food without drastically reducing export earnings and bankrupting the island's economy, increased food production must realistically come from both large and small farmers. (1) Small holdings (under 10 acres) contained 5,898 ha. or 43% of the cultivated land in 1981 and private estates and state farms held 45% and 12% respectively. (Table Eleven and GfCa, 1981:26) Agricultural policy must deal with all three sectors. A clear understanding of the situation of small farms, estates and state agriculture in Grenada is therefore necessary before policies can be discussed which balance increased production and productivity in all three groups against income redistribution policies which would favour small farmers over the other two.

SMALL HOLDER FOOD PRODUCTION

Small farm food production in Grenada depends on a myriad of factors which flow from three sets of circumstances: environmental, historical and modern, all of which are largely

(1) The discussion on the potential for import substitution on pages 177 to 181 below shows that 6,874 ha. to 12,328 ha. of extra land would be required for agricultural self-reliance, depending on the assumptions made about consumption patterns.
beyond the control of the individual farmer. The historical legacy described in Chapter Two left large numbers of farmers with insufficient land to meet their families' food needs and an agricultural infrastructure whose emphasis on exports drained surplus from both the national economy and the small farmer through unequal terms of trade. The modern international economy created the conditions whereby access to credit, technology and markets is used to maintain and deepen the imbalance of trade and the continued drain of surplus from small farmers as a class and peripheral third world economies such as Grenada as social formations. Environmental conditions also constitute a considerable element of risk in agriculture, and although they affect all farmers, big and small, they present particular problems for small farmers who have only limited access to working capital or savings to ride out unfavourable conditions.

The inadequacy of farm size for family self-reliance has been complicated by other factors which serve to reduce productivity. Although most soils in Grenada are quite fertile, the majority of good flat land is held on estates. (Ifill, 1977: Appendix II maps) This has left small holders with hilly, often very steep land which is not suitable for mechanization of brush cutting, ploughing, planting and weeding, elements which make up 54% of the cost of farm operations. (Ifill, 1976:31) Land tenure has been complicated by a generally accepted system of joint inheritance which bequeathed land equally to each child, resulting in the fragmentation of parcels.
(Brierley, 1974:100) The average holding has at least two and often more fragments of land. This made acquisition of larger contiguous holdings more expensive, increased unproductive travel time, reduced security from praedial larceny, and generally diminished labour efficiency. (Brierley, 1974:101; Ifill, 1976:11)

Several farm surveys have noted that the age of small farmers in Grenada averages 50 years. (Ifill, 1976:3; Agricultural Census, 1981:1; CARDI, 1979:55) Also noted is their low level of formal education and frequently long residency in one place, with 53% living 30 years in the same location. (CARDI, 1979:56) These factors have been linked to their alleged conservatism and low levels of receptivity to innovation. Only 5% used what they consider to be new techniques, crops or varieties in their agricultural practices. (CARDI, 1979:58) This lack of innovation could also be related to their particularly limited circumstances and the possibility that innovation or change, without a change in those circumstances, would be illogical from their perspective since they have few reserves to cushion themselves against disaster.

Because of the small size of their plots and historical domination by the estate sector, small farmers have been limited in their access to credit and to agricultural services provided by the state. Only 22-24% of small holders surveyed used credit and a substantial portion of that used was for non-productive consumption. (CARDI, 1979:59; Ifill, 1976:34) The most frequent
complaints with respect to state services have been the lack of
feeder roads for easier access to markets and to lower input
costs, and the shortage of improved planting materials from
government propagation stations. (Agricultural Census, 1981:5)

Despite these obstacles, we have seen (on p. 157 above)
that small farmers have given up less land than the estates under
the adverse conditions facing Grenadian agriculture, in the
1970's. (Lefrane, 1980:23) (1) The resilience of small farmers has
been based on several factors. Their entire incomes have not been
solely dependent on agriculture, but on a framework of multiple
income sources developed in response to historical conditions
which prevented their acquisition of sufficient land to move
beyond subsistence. (2) Their practice of agriculture was very
labour intensive, using to the utmost the one resource they do
have some control over as a result of their particular status as
both peasant and proletariat. (Beckford, 1972b:33)

This intense use of labour allows a greater percentage
of land on small farms to be cropped, thus increasing

(1) These conditions included attacks on the estate sector by
Gairy's land "settlement" policies and the failure to replace
lost production with effective support for the "peasantry"
which owned or were allocated very small farms and often were
individuals lacking farm management experience. (World
Bank, 1982:4)

(2) See page 85 of Chapter Two for a discussion of this framework
of multiple dependencies.
productivity per hectare of farmland. (Beckford, 1972b:33)(1)
Thus, while labour and land efficiency on estates is undoubtedly higher due to increased use of modern inputs, labour intensity offsets these advantages through more intense use of the land available. Estates tend to waste large tracts of land. Further, this intense use of labour has been integrated into and facilitates an environmentally sound mix of practices such as inter-cropping and the use of crop and animal wastes as fertilizer, which is very energy efficient.

It can be argued that this labour intensity could be made even more effective if the restraints on credit and land were eased for small holders, thus increasing labour productivity as well. (Beckford, 1972b:34) The greater diversity and flexibility of the "peasant" sector are also important positive factors which might warrant the transfer of resources to them rather than to the estates. Since small farmers practice mixed cropping and produce most of the food crops for local markets, they display a greater flexibility in resource use than do the estates which have traditionally been tied to monocropping for export. (Beckford, 1972b:31) A process of agricultural development involving income redistribution, changes in consumption and

(1) Brierley notes that idle land as a proportion of farmland was 29% for small farms and approximately 40% for plantations in Grenada in 1981. (Brierley, 1981:25) This can be compared with Brierley's figure of 17% for small farmers in 1969 (Brierley, 1974:106) and Beckford's figures of 75% and 41% for large and small farms respectively in Jamaica in 1961. (Beckford, 1972b:33)
increased use of local resources might be better served by this flexibility of response to resources and markets by small holders. Increased farm incomes across a larger group also has implications for industrial demand as well as for local production of nutritional needs which are currently imported.

An argument frequently used against the support of small farmers over estates is that small farmers have a lower propensity to save and invest for increased production than do estate owners. (Rothstein, 1976:599) This ignores the historical tendency of the Caribbean plantocracy to excessive consumption and to overinvest in land for both status and to ensure control over labour supplies. (Beckford, 1972a:205) In contrast, given increased incomes and appropriately scaled investment opportunities, small farmers would increase their savings and investment. As it now stands, credit is not only limited in quantity, but is also focused on certain crops, inputs and other investments which reflect the perceived needs of the financial sector and the state, and not those of the small farmer. (Lappe and Collins, 1977:186) Few small holders will risk their land as collateral for credit which they see as both inadequate and inappropriate to their particular needs. This reluctance distorts our perception of their real propensity to save and invest and gives rise to the classic theories of a necessary trade-off between redistribution and accumulation for investment through stimulation of large scale agriculture. (Rothstein, 1976:599)
The point to be stressed here is that assumptions about efficiency based on current unequal access to the means of production can only duplicate patterns of resource allocation which reinforce that same unequal access to productive assets. Before decisions can be finalized about resource allocation to one group over another, more detailed information about productivity under different conditions of land distribution is needed so as to more accurately calculate opportunity costs. Such analysis must also incorporate dynamic elements which include the effects of improved income distribution and a changing structure of consumption.

FOOD PRODUCTION ON PRIVATE ESTATES

Food production on Grenadian estates has historically been minimal, with only 2-15% of food crops coming from holdings greater than 10 acres. (LeFranc, 1980:23) As noted in Chapter Two, the plantocracy preferred to cede just enough land to the "peasantry" to grow their own food, thus keeping wages low. The strong emphasis on export crops from the time of slavery on, has been resolutely maintained on the estates, with most food for the owners being imported.

It would seem logical to expect that this emphasis on export production would stimulate modernizing investment to increase estate productivity and competitiveness. To a degree, this has happened in that estate agriculture is more modern than
"peasant" farming. However, as noted in Chapter Two, opportunities for investment were limited by the rough terrain (which makes large scale mechanization less feasible) and the absence of significant post harvest processing to reduce transport costs. The particular crops for which markets have been developed and agronomic expertise accumulated in Grenada have little or no need for such processing, which by contrast is necessary for sugar. For these reasons, the accumulation which has taken place appears to have been limited to the concentration of estate ownership into fewer hands. (1)

Failure to invest in modernized production also has historical roots in Grenada. As we saw in Chapter Two, a reluctance to invest marked the resistance of the plantocracy to the transition from slavery to "free" labour. Under the particular colonial modes of production throughout this period, the tendency was to "consume" surplus elsewhere and not to reinvest in local agricultural development. The emphasis was on the extraction of absolute surplus value, rather than relative surplus value, with the result that investment and technology were less important than the intensive exploitation of labour.

The localization of estate ownership following the collapse of sugar effectively severed corporate links with the mercantile houses of the U.K. which had traditionally provided

(1) See Table Ten on page 156 above for evidence of this growing concentration.
access to credit. (1) The progress of capitalist production and of modernizing investment was also slowed by two specific factors particular to the situation in Grenada. In 1955, Hurricane Janet destroyed almost all tree crops and required extensive reinvestment in lost stock as well as a three to five year slump in revenues while the perennial cocoa and nutmeg trees grew to productive maturity. In Chapter Two the land "reform" policies of Eric Gairy were described, whereby estates were expropriated, in some cases without compensation. The disruption of these nationalizations, plus the politicization of the marketing boards and cooperatives for the three major export crops and the undermining of orderly marketing which this represented, effectively halted any investment plans the plantocracy might have had throughout the 1970's.

One further comment on productive investment is appropriate here and concerns human "capital". Social relations were still strongly influenced by the racial and class divisions of slavery and indenture even into the 1960's. (2) Thus investment

(1) The maintenance of such corporate links in Barbados and Guyana speeded the process of expansion of capitalist agriculture in those territories. In Barbados, the development of a domestic corporate planter/merchant bourgeoisie was the result (Karch, 1981:213-241); whereas in Guyana, the process evolved into the consolidation of transnational corporate control followed by nationalization and a state capitalist model. (Thomas, 1981:36)

(2) Gordon Lewis has noted that "we live in a doctrinaire cloud-cuckooland if we assume that class has superceded race in much of the Caribbean communal psychology." (Lewis, 1981:18)
in education, housing or other social welfare expenditures which could increase labour productivity was not considered important by either planters or the colonial and neo-colonial state.

Faced with a low level of capitalization and extremely low labour productivity, Grenada's private estates are not likely to increase food production dramatically. If farm labour productivity is approximately EC$4.00 per day and wages are EC$8.50 per day (Coard 1983:46), then estates would lose some EC$336 per acre per year in the difference between labour productivity and wages alone. (1) These losses are in addition to the risks of low international commodity prices, the drop in the exchange rate for the British Pound, Grenada's major trading currency, and other cost increases. With labour costs of EC$634 per acre per year and average overall agricultural production of EC$1,493 per acre per year (2) it is not difficult to see that there is little financial incentive for estates to expand their production!

THE STATE FARM SECTOR

Currently, the Grenada Farms Corporation, established

(1) This estimate is based on a labour intensity of 1.34 ha/worker (see Table 14 on p.181 below) and an assumed 250 working days per year.

(2) This estimate is based on agricultural GDP at factor cost of EC$51.1 million (World Bank 1982:113) and acreage farmed of 34,226 acres from the 1981 Agricultural Census. (See Table 11 on p.156 above)
in 1980, holds 26 government owned estates with 3,430 acres of land, of which 564 is planted in the three major export crops, 9% in coconut and 33.1% is uncultivated or in bush/forest. Thus only 6% or 206 acres is planted to food crops. (GFCa, 1981:26) Of these 26 estates, 16 are larger than 100 acres and contain 2,856 acres of land. Total assets of the twenty-six farms is estimated to be ECS15,700,000, of which ECS12,900,000 is in land, ECS2,100,000 in buildings and ECS675,000 in vehicles. (GFCa, 1981:32)

The land of the Grenada Farms Corporation, having been expropriated from private estates by Gairy in the early 1970's, has been subjected to the same history and dynamics of dependent capitalist agriculture as described above for private estates. They face the same conditions of chronic undercapitalization and low labour productivity as the private estates. In addition, Gairy's tendency to divert produce from state farms to his hotels and restaurants without compensation reduced revenues and thus maintenance and investment even further. (1) It has been estimated that only ECS6,000 was collected in revenues from state farms in 1978 (DaBreo, 1979:167), whereas expenditures were somewhere between ECS2 and 3 million. (2) This loss had been reduced to some ECS236,000 in 1980. (GFCa, 1981:5)

(1) I personally saw Ministry of Agriculture transfer orders of this nature while visiting Gairy's home at Mount Royal in May 1979, after the NJM takeover of the government.

(2) This expenditure estimate is based on a labour force of roughly nine hundred, with wages of ECS8.50 per day for 250 working days per year. (GFCa, 1981:27)
In addition to these problems, the GFC must compete with the rest of the State sector for management personnel at a time when government activity has expanded rapidly in construction, tourism, fisheries, commerce, industry, utilities and many other areas in addition to agriculture. (Coard, 1983:32)

In 1982, the GFC met only 37% of its target output, due primarily to poor organization and management and low labour productivity. (Coard, 1983:51)

In his February 1983 budget speech, Bernard Coard, Minister of Planning, Finance and Trade, noted that worker productivity in the Grenada Farms Corporation in 1982 was only ECS$4.65 per day, while average wages (including managers and foremen) were ECS$9.15 per day. (Coard, 1983:46-52) The management and productivity problems existing in the state farm sector are such that the GFC has difficulty managing the current acreage, much less a dramatic expansion into leased private estates as envisioned under the Land Utilization Act of 1981. Bernard Coard also noted that cooperatives are growing only slowly since youth are more interested in government employment than in joining or setting up cooperatives. (Coard, 1983:31)(1)

Despite the problems being experienced at the GFC, the government leased seven estates in April 1983 under the Land Development and Utilization Law of 1981. (LAN, April 31, 1983)

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(1) It is here that the legacy of an education system geared toward GCE or CXC exams, rather than productive and self-employment skills is most severely felt.
This law provides for the compulsory 10 year lease of idle or underutilized lands over 100 acres where a satisfactory plan for agricultural use has not been filed with the Land Development and Utilization Commission within 6 weeks of its designation as idle land. While some of this land may be sublet to co-operatives or small farmers, it is likely that the majority of it will fall under the management of the GFC. (Benjamin, June 24, 1983) It would appear therefore that the government is determined to bring more land into production, possibly with capital and management from external sources to supplement local resources. It is unlikely under current conditions that private estate owners would develop unutilized land.

Government plans for the GFC involve a phased development of farms with the number of farms under improvement expanding as management personnel are trained and investment capital programmed to coincide with the availability of management. Concurrent with this is improved maintenance of the farms not under active development so as to reduce losses and prevent further deterioration of the estates. (GFC, 1981:29) Specific plans for the first phase of development include three farms on which production of sheep, coconuts, cocoa and vegetables will be expanded, with the majority of investment going towards the establishment of a sheep breeding stock operation. (GFC, 1981:183) Generally speaking, export crop production will be maintained at current acreage with plans to increase export production through improved yields and food
production through expanded acreage of food crops. Food crop production will be both for local consumption and export. (Antoine, 1981)

These plans, as formulated by the GFC with the assistance of the Inter-American Institute for Cooperation in Agriculture and the Caribbean Development Bank, betray a technocratic approach to the problems of state farms. The project's emphasis is on investment capital and management skills, with only a brief mention of on the job training of workers in produce handling. On the other hand, workers councils have been formed on GFC estates. Their role seems to include some aspects of work planning, suggestions for increased efficiency, emulation (productivity) awards and a forum for discussion of government services such as rural health care. (Benjamin, August 1983) In addition, much of the literacy crusade was focused on the estates, with significant benefits for agricultural laborers. There is also a programme of profit-sharing on the estates, although only four out of the twenty-three estates for which records were kept made profits in 1980, and the amounts involved were quite small. (GFC, 1981:3)

Plans for the GFC thus seem to combine a mixture of improved management and investment with moderate reforms to increase worker participation and benefits. Clearly any plans for revolutionary changes in the relations of production are being left to a subsequent stage. Without changes in the relations of
production however, the possibility increases that the development of state capitalism already initiated by Grenada's petty-bourgeoisie before the revolution will become entrenched.

Having completed this outline of the agricultural resources of Grenada which might be mobilized for self-reliant food production, the next section presents an estimate of the actual requirements of land and labour for such production.

THE POTENTIAL FOR IMPORT SUBSTITUTION

In order to provide the basis for a discussion of the potential for self-reliant food production in Grenada, this section outlines several hypothetical land use requirements if food imports are to be replaced by local production. It will be shown that the land resources necessary for self-reliance are likely less of a constraint than labour availability and the socio-economic constraints outlined above which reduce the productivity of labour and land.

The assumptions made to calculate hypothetical land and labour requirements are obviously simplistic, and the resulting figures should be taken as indicative, rather than accurate predictions of the resource requirements of an import substitution programme. The order of approximation of reality is sufficient however to confirm many of the points made in Chapters One and Three concerning the structural distortions of agriculture resulting from external influences on food
consumption and demand.

Table Twelve below provides a summary of the acreage required to replace up to 93% of food energy imports with local production covering up to 86% of total current domestic food energy demand. It should be noted that this exercise does not take the structure of demand into consideration and therefore assumes the same unequal distribution of food supplies between lower and upper income groups as currently exists. If production were focused on those items from which low income groups receive most of their food energy (e.g., root crops, pigeon peas, vegetables, wheat and sugar), the land required for significant import substitution would be considerably reduced. Table Thirteen provides an outline of the acreage requirements assuming a structure of demand more closely related to that found in La Poterie. (See also Tables One to Five in Chapter Three.)

It can be seen from Tables 12, 13 and 14 that replacement of food imports by local production could require between 6,874 hectares and 17,330 hectares of extra land in food crop production. This can be compared with the 10,382 ha. lost to production between 1961 and 1981 which presumably is still available for cultivation, although likely requiring substantial investment to remove secondary bush or forest. Of the 10,000 ha. not cultivated in 1981, most is said to have been primary forest or under residential, industrial and infrastructural use. (Ifill, 1977:5)
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<th></th>
<th></th>
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<tr>
<td>MEAT</td>
<td>6,673,395</td>
<td>4,081,100</td>
<td>100%</td>
<td>4,081,100</td>
<td>(1,095) (1)</td>
<td>3,727</td>
</tr>
<tr>
<td>DAIRY 1</td>
<td>5,608,290</td>
<td>5,608,290</td>
<td>50%</td>
<td>2,804,145</td>
<td>(1,330) (2)</td>
<td>2,108</td>
</tr>
<tr>
<td>DAIRY 2</td>
<td>5,608,290</td>
<td>5,608,290</td>
<td>100%</td>
<td>5,608,290</td>
<td>(1,330) (3)</td>
<td>4,217</td>
</tr>
<tr>
<td>FLOUR 1</td>
<td>26,210,886</td>
<td>26,210,886</td>
<td>15% (3)</td>
<td>3,931,633</td>
<td>7 (7,700) (4)</td>
<td>511</td>
</tr>
<tr>
<td>FLOUR 2</td>
<td>26,210,886</td>
<td>26,210,886</td>
<td>100%</td>
<td>26,210,886</td>
<td>7 (7,700)</td>
<td>3,404</td>
</tr>
<tr>
<td>RICE</td>
<td>3,219,810</td>
<td>3,219,810</td>
<td>100%</td>
<td>3,219,810</td>
<td>1.1 (3,960)</td>
<td>813</td>
</tr>
<tr>
<td>OTHER CEREALS</td>
<td>8,768,569</td>
<td>7,148,736</td>
<td>100%</td>
<td>7,148,736</td>
<td>2.43 (8,772)</td>
<td>815</td>
</tr>
<tr>
<td>ROOT CROPS/STARCHES</td>
<td>3,565,200</td>
<td>486,788</td>
<td>100%</td>
<td>486,788</td>
<td>7 (7,700)</td>
<td>63</td>
</tr>
<tr>
<td>SUGAR</td>
<td>11,965,919</td>
<td>10,124,045</td>
<td>100%</td>
<td>10,124,045</td>
<td>2.7 (10,071)</td>
<td>1,005</td>
</tr>
<tr>
<td>VEGETABLES</td>
<td>2,721,219</td>
<td>929,608</td>
<td>100%</td>
<td>929,608</td>
<td>7.7 (5,417)</td>
<td>172</td>
</tr>
<tr>
<td>EDIBLE OILS/SHORTENING</td>
<td>7,064,987</td>
<td>4,895,165</td>
<td>100%</td>
<td>4,895,165</td>
<td>(1,572) (9)</td>
<td>3,114</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>-56% of food energy imports</td>
<td>37,620,630</td>
<td>12,328 ha.</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td>-93% of food energy imports</td>
<td>62,704,028</td>
<td>17,330 ha.</td>
</tr>
</tbody>
</table>

**NOTES:**
1) Meat and Dairy yields per ha. were calculated from kg/carcass, ha/animal, kg/acreage and litre/lactation data found in Blades and Notis, "A Preliminary Design for a Regional Livestock Complex", mimeo CARICOM Secretariat, 1975.
2) No data was available for local dairy production and it is assumed here that all dairy supplies are imported. In actual fact, there is likely a small trade in dairy products for which data was not available.
3) In the first case it is assumed that wheat flour is replaced by 15% root crop or legume flours. While theoretically possible to go beyond composite flours and replace all wheat flour, the costs and nutritional disruptions incurred are likely to make such a policy politically disreputable, as the Government of Guyana is currently discovering.
4) Yields are for root crop flours; taken from Williams, "The Agriculture of Major Tropical Crops", Oxford University Press, 1973 and local data.
5) Rice yields are for hill rice in Belize. Although test plantings apparently have been conducted in Grenada, and some 5,500 ha. of suitably wet soil soils exist, officials are pessimistic about local rice cultivation due to the low yields of hill rice in comparison with imported Guianese paddy rice.
6) The assumed yield here is for local maize production.
7) Sugar yields come from Grenada Sugar Factory production estimates.
8) Vegetable yields are averaged from local production data.
9) Oil/Shortening data comes from local coconut/corra/oil production data.
## TABLE THIRTEEN: HYPOTHETICAL IMPORT SUBSTITUTION BASED ON DEMAND STRUCTURE IN LA POTERIE

<table>
<thead>
<tr>
<th>ITEM/CROP</th>
<th>% OF DEMAND</th>
<th>HYPOTHETICAL DEMAND (Kcal)</th>
<th>ACTUAL PRODUCTION (Kcal.)</th>
<th>% REPLACED</th>
<th>EXTRA PROD. REQUIRED (Kcal.)</th>
<th>ASSUMED EXTRA ACREAGE REQUIRED (HA.)</th>
<th>MT/ha (Kcal/ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEAT</td>
<td>3.6%</td>
<td>3,161,525</td>
<td>2,741,435</td>
<td>100%</td>
<td>420,090</td>
<td>(1,095)</td>
<td>384</td>
</tr>
<tr>
<td>DAIRY 1</td>
<td>2.9%</td>
<td>2,546,784</td>
<td>268,950</td>
<td>50%</td>
<td>1,138,917</td>
<td>(1,330)</td>
<td>856</td>
</tr>
<tr>
<td>DAIRY 2</td>
<td>2.9%</td>
<td>2,546,784</td>
<td>268,950</td>
<td>50%</td>
<td>2,277,834</td>
<td>(1,330)</td>
<td>1,713</td>
</tr>
<tr>
<td>FLOUR 1</td>
<td>30.2%</td>
<td>26,521,679</td>
<td>0</td>
<td>0%</td>
<td>3,978,252</td>
<td>7 (7,700)</td>
<td>517</td>
</tr>
<tr>
<td>FLOUR 2</td>
<td>30.2%</td>
<td>26,521,679</td>
<td>0</td>
<td>15%</td>
<td>26,521,679</td>
<td>7 (7,700)</td>
<td>3,444</td>
</tr>
<tr>
<td>ROOT CROPS/STARCRES</td>
<td>24.3%</td>
<td>21,340,291</td>
<td>3,078,412</td>
<td>100%</td>
<td>18,261,879</td>
<td>7 (7,700)</td>
<td>2,372</td>
</tr>
<tr>
<td>SUGAR</td>
<td>9.1%</td>
<td>7,991,632</td>
<td>1,841,874</td>
<td>100%</td>
<td>6,149,758</td>
<td>2.7 (10,071)</td>
<td>611</td>
</tr>
<tr>
<td>VEGETABLES 1</td>
<td>9.0%</td>
<td>7,903,812</td>
<td>1,791,611</td>
<td>100%</td>
<td>6,112,201</td>
<td>7.7 (5,417)</td>
<td>1,128</td>
</tr>
<tr>
<td>VEGETABLES 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(13,814) (3)</td>
<td>442</td>
</tr>
<tr>
<td>EDIBLE OILS/SHORTENING</td>
<td>5.5%</td>
<td>4,830,107</td>
<td>2,169,822</td>
<td>100%</td>
<td>2,660,285</td>
<td>(1,572)</td>
<td>1,692</td>
</tr>
<tr>
<td>TOTALS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>84.6%</td>
<td>74,295,830</td>
<td>13,512,338</td>
<td>15.4%</td>
<td>30,721,382</td>
<td>7,560</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>100%</td>
<td>87,820,131</td>
<td>15.4% OF DEMAND</td>
<td>100%</td>
<td>62,403,726</td>
<td>11,344</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>30,721,382</td>
<td>6,874</td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**
1) Hypothetical demand has been calculated assuming the same national consumption of food energy (87,820,131 Kcal.) but distributed among the various food categories as found in the La Poterie household survey, and not the national consumption data. This would result in an adequate and equitable food energy supply but would require more fish, dairy products or pigeon peas to provide adequate, equitable and inexpensive protein consumption.

2) Assumed yields are taken from Table Twelve above.

3) The second vegetable figure is based on this category being supplied almost entirely by pigeon peas, which was the case found in the La Poterie survey.
TABLE FOURTEEN: LABOUR FORCE AND ACREAGE REQUIRED FOR AGRICULTURAL SELF-RELIANCE

<table>
<thead>
<tr>
<th>DEMAND ASSUMPTIONS</th>
<th>HECTACRES ASSUMED NECESSARY</th>
<th>LABOUR FORCE REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Poterie Demand (Pigeon peas)</td>
<td>6,874</td>
<td>5,130</td>
</tr>
<tr>
<td>La Poterie Demand (15% of wheat replaced)</td>
<td>7,360</td>
<td>5,642</td>
</tr>
<tr>
<td>La Poterie Demand (all wheat replaced)</td>
<td>11,344</td>
<td>8,444</td>
</tr>
<tr>
<td>National Demand (15% of wheat replaced)</td>
<td>12,328</td>
<td>9,200</td>
</tr>
<tr>
<td>National Demand (all wheat replaced)</td>
<td>17,330</td>
<td>12,933</td>
</tr>
</tbody>
</table>

NOTES: 1) The agricultural labour force in 1980 is assumed to have been 10,200 or 26.9% of the total labour force of 37,930. (UWI, 1981:113; Coard, 1983:146) The acreage farmed in 1980 was 13,690 ha., giving a labour intensity of 1.34 ha./worker.
2) This assumes no increase in labour productivity over time.

In actual fact, the Mirabeau Farm School and the Centre for Popular Education are making important contributions in this area.

As pointed out in Note 3 on Table Twelve, the 17,330 ha. figure which assumes replacement of all wheat by local production of starch and legume flour is not realistic. Thus a realistic estimate of the extra acreage requirements is the range 6,874 to 12,328 ha. with respect to the requirement of 5,130 to 9,200 extra agricultural workers noted in Table Fourteen above, this can be compared with an agricultural labour force of 10,200 (Coard, 1983:46), a total labour force of 37,930 and unemployment of 10,460 in October 1980. (UWI, 1980:14) The Government of Grenada notes that unemployment in 1982 was down to about 14%, thus reducing the number of unemployed to 5,000. (Coard, 1983:5) It is unlikely that the entire unemployed labour force could be channelled into agriculture alone, given the requirements of
other sectors of the economy and probable resistance due to relatively lower incomes in agriculture. It is likely therefore that labour shortages and productivity will be more critical problems than the availability of land in any programme of self-reliant food production.

CONCLUSIONS

It should be clear from the data outlined above that increased domestic food production in Grenada is not just a question of increased output through technological improvements, but also a matter of distribution. While the main resources of land and labour are theoretically available for almost complete self-reliance, many factors limit their quick or easy mobilization. Furthermore, development is a process and not just an event or series of projects. It requires the dialectical advance of both production and distribution if autonomous growth is to continue. Without improved distribution of food supplies and income, the domestic demand for production will not increase and growth will remain overly dependent on external markets. Without increased domestic production, improved distribution will not be possible without severe dislocations in middle and upper income food consumption, and the possibility of political unrest.

Neither estate nor "peasant" sectors have sufficient resources to meet local food requirements on their own, nor, as was noted earlier, sufficient economic power to dominate other
sectors and impose their own model on the national economy. The state, which is controlled by forces sympathetic to the "peasant" sector, cannot provide all of the management resources necessary to expropriate the estate sector and at the same time confront the externally supported disruption of the economy which would result from such a move. External threats to markets, credit, spare parts and energy supplies, technology and even national security are already a daily reality in Grenada and divert scarce resources from development into military preparedness.(1)

The problem of negative terms of trade and the use of inappropriate technology has been linked to dependence on export agriculture. However, disengagement from this dependency must be linked to increased local demand for local production, a process which will take some time. At the beginning of this process, foreign exchange earnings will be needed for certain critical imports which are too expensive to produce locally.

Agriculture, tourism and remittances provide roughly one-third of Grenada's foreign exchange receipts each. The marketable surplus of agricultural products is therefore an important element if non-agricultural activity is to increase, both as a source of food for the workers in those activities, and as a source of foreign exchange earnings. An increase in marketable surplus, it should be clear from this chapter, is

(1) A discussion of the impact of externally supported destabilization is presented in Chapter five.
heavily dependent on substantial increases in the productivity of small farmers and agricultural workers.

Experience in other socialist countries has demonstrated that the role of the state in agriculture is crucial to the transformation process. Where production increases have been forced through coercion, the peasantry has not responded in terms of increased productivity and has blocked the establishment of socialist relations of production. In those countries which lacked industry or alternative sources of surplus for investment, this failure in agriculture has effectively blocked not only agricultural transformation, but all transformation. Further, forceful methods are likely to bring hostile international response or even intervention. (Thomas, 1974:163)

The particular policies, incentives, investments and other government actions which promote agricultural self-reliance must take many complex variables into consideration. Some of these will be amenable to technical analysis, for example the relative benefits of small farmer income and its impact on mass consumption and demand, versus the possibly greater efficiency of larger holdings. Others require a political analysis of Grenada's particular mixture of culture, ideology, institutions, class structure and political and economic power which influences policy decisions in many ways beyond rational economic analysis. The balance of forces in Grenada's particular social structure, combined with its particular historical situation, will largely
determine the potential and timing of agricultural transformation.

Given the importance of "peasant" farming in Grenadian agriculture, the effectiveness of central planning is likely to come more slowly than has been the case, for example, in Cuba. The dominance of foreign ownership in Cuban plantations prior to 1959 and their subsequent nationalization facilitated a more rapid development of the economic control necessary to readjust the entire economy to new criteria of resource allocation. (Thomas, 1974:105)

As noted in Chapter One, there is no simple solution to the problems of even a small, underdeveloped social formation such as Grenada's. The process of planning in an auto-centred, self-reliant development model must incorporate political considerations as well as environmental, physical and human resources. The implications for such planning of the analysis of class relations and data on the political economy of food in Grenada contained in the preceding Chapters are the subject of the next and final Chapter of this thesis.
CHAPTER FIVE

CONCLUSIONS: THE POTENTIAL AND LIMITS TO AGRICULTURAL SELF-RELIANCE IN GRENA DA

The introductory chapter of this thesis has outlined an auto-centred, self-reliant development model for Grenada as an alternative to dependent, peripheral capitalism. Preceding chapters have examined Grenada's structures of class, food consumption and agricultural resources and the main features of these structures as they affect agricultural self-reliance under this model. This chapter will argue that the data and analysis presented here clearly demonstrate that the structures of class, food consumption and agricultural resources in Grenada are inseparably linked. Our conclusion then is that any escape from the dependent social formation described by the data presented above must involve changes in all three structures in an interdependent fashion. Class relations determine the division of surplus and thus of income. Income distribution has a significant impact on food consumption, and the composition of the demand for food in turn influences the quantity of land and labour needed to meet that demand. The use of land and labour is in turn determined by class relations, thus completing the complex circuit of interrelationships between these structures.
The overview of class relations provided in Chapter Two attempted to define the highlights of Grenadian history in a manner which brought out the key forces behind changes in a small but nevertheless complex social formation. Such historical analysis, even though it does not pretend to be comprehensive, provides a basis for understanding the specific patterns of political power, culture, ideology and social division of labour in Grenada and the flows of economic surplus which support that complex social formation. This understanding is crucial to the identification of those surpluses available for increased consumption and investment, and also for an analysis of the non-economic factors which affect the diversion of surplus from one class to others and from accumulation to unnecessary consumption. Without an awareness of these factors, no process of transition can be properly planned or even begun.

As we have seen in Chapter Two, the particular forces of dependent capitalist development which have integrated Grenada into an unequal international economic system have fragmented class development in such a way as to prevent either internal class awareness and cohesion or sufficient maturity by any one class in relation to others which would permit its dominance of the political process on more than a temporary basis. This historical fragmentation of class forces has held both advantages and disadvantages for the transition of Grenada to a new society.
Internally it has resulted in virtually no open opposition to the NJM's control and direction of the state apparatus. On the other hand, class consciousness and unity are required to give impetus to revolutionary change, since without recognition of common interests, the level of political struggle for that change will be inadequate to ensure its consolidation. (Marx, 1978:520)

Post's study of the 1938 labour rebellion in Jamaica provides us with an example of how immaturity of class development prevented the evolution of a revolutionary movement from that struggle. (Post, 1978:469) While the situation in Grenada today is different from that of Jamaica in 1938, it has been noted that:

a study of past transitions can help us to ask fruitful questions about present and possible future transitions, to recognize similarities and differences, and to appreciate the historicity and totality of the process under examination. (Bettelheim and Sweezy, 1971:107)

Post showed us that the most important constriction of backward capitalism on the Jamaican political system was the retarded and uneven development of the peasantry and working class: a peasantry which ceased to recognize its exploitation when promised land yet remained unorganized when this promise was frustrated; a working class which remained satisfied with the gains of trade unionism and representation by charismatic labour leaders. (Post, 1978:472) These lessons from Jamaica have relevance for the role of class development and struggle in Grenada today, albeit much as Trotsky noted that: "The feeble and
reflected light of the moon makes possible important conclusions about the sunlight." (Post, 1978: 472) On class formation, Post has noted that:

Social formations as combinations of structures are marked by unevenness of internal development, and this is most crucially expressed in levels of class formation. First of all, classes are internally divided, broken into strata, segments and fractions and expressing themselves in certain cases also through social categories. This in itself works against any likelihood of uniform response. So does a second feature of unevenness of class formation, the fact that a class may not have fully acquired the distinctive basic features (and interests) which mark it out as a class by itself. (Post, 1978: 469)

As noted above, Chapter Two highlighted the unevenness of internal class development which is prevalent in Grenada today. Without advances in class awareness, the political support necessary for a broad restructuring of agriculture as recommended here will not be easily forthcoming. This lack of awareness is reinforced by objective factors such as the scattered private ownership of land, which not only inhibits the planning of production, but also hampers co-operation and a further division of labour within the production process so as to increase efficiency. (Marx, 1978: 437) As we shall see at the end of this Chapter, the nature and level of class development in Grenada has serious implications for the process of class formation.

The current level and structure of class "struggle" in Grenada is determined to a large extent by the leadership of the
developed to serve that market. Forced to compete for disposable income against manufactured goods because of relatively lower income elasticities of demand for food, the food industry has attempted to become more efficient in influencing tastes as well as in lowering production costs. The impact of advertising and the development of capital-intensive technologies designed for affluent western markets have combined to trigger a process of corporate concentration which the food industry had hitherto resisted because of its sensitivity to local tastes, transport requirements and storage limitations. The quality, packaging and advertising standards against which local produce must compete are such as to discourage the development of a local food processing industry. For example, capital equipment used in the food processing industry is designed for large affluent western markets and is not as efficient when used in much smaller markets such as Grenada, further decreasing the competitiveness of local production.

The international food industry has also penetrated the Grenadian market directly through advertising in the local and regional media and indirectly through the influence of tourism on local tastes and expectations. The data presented by Dellimore and Whitehead on the food industry of the ECCM shows that the media influences tastes towards foods with a high import content and a degree of processing which is nutritionally inefficient.

Food consumption in Grenada is thus shown to be
leadership of the NJM will be crucial in determining the path to be taken by the revolution. In its leadership, the Party has an interesting mix of social democrats and orthodox and neo-Marxists which in many ways mirrors the various positions found in the Caribbean and Third World left today. As has been noted earlier, it would appear that the balance within the NJM favours the Non-Capitalist Path described in Chapter One. The implications of this direction are discussed in the final section of this chapter.

In addition to internal class and ideological influences on the path of the revolution, Grenada's dependence on Western markets and on a production structure heavily based on Western technology effectively precludes a major shift to dependency on the Soviet bloc. (1) Not only are there objective constraints, such as the huge sums required for reinvestment in new equipment and technology, but there exist problems of external class relations which can influence the internal political situation.

While it has not been able to find a significant internal opposition to support, we have seen earlier how the Reagan administration has nevertheless managed to put

(1) Fidel Castro has counselled both Nicaragua and Grenada against any such move because of the considerable costs and limits of such a shift. Castro was quoted to this effect by Flora MacDonald following the Parliamentary Subcommittee visit to Cuau in the winter of 1982. Also cited in Latin America Newsletters.
considerable pressure on the PRG. If these external pressures are successful in reducing or even sabotaging the economic gains made by the revolution before the processes of social awareness and economic restructuring have been consolidated, there could be a significant realignment of class forces. The openness of the Grenadian economy makes this external threat a serious consideration. Further, the subjective and objective realities of Western cultural influence act as important internal brakes on the pace at which the transformation process can take place, thus increasing the period of vulnerability to external forces.

The analysis of class relations in Grenada, both internal and external, provides us with an understanding of one of the most complex factors in the process of transition. It shows that the transition to a new social order involves far reaching changes in the political, economic, cultural and ideological elements of a social formation. It is a process which is enormously complex and which advances unevenly, on many fronts, over an extended period of time, and is vulnerable to prolonged or even permanent reverses. (Bettelheim and Sweezy, 1972:107)

Before linking the subjective element of class development and awareness to the objective factors of food consumption and agricultural resources, let us summarize the analysis of these latter two from Chapters Three and Four.
THE STRUCTURE OF FOOD CONSUMPTION IN GRENA DA

The second analysis undertaken in this thesis has been of the structure of food consumption in Grenada and the factors which create a demand for foods which can be locally produced only with great difficulty. Among these factors were unequal income distribution and international food markets which transfer inappropriate technology into Grenada's food processing industry.

The history of underdevelopment outlined in Chapter Two resulted in a considerable skewing of income distribution in Grenada which had a significant impact on food consumption. A comparison of food energy and protein consumption by the rural poor and the national averages showed that a relatively small section of the population, mainly urban middle-class St. George's, uses far more than its share of national food resources. This means that the resources which could be used to produce cheaper, local food, have tended to be spent on imported foods which have a far higher incidence in upper income diets than in low income diets. Since only 12% of the population received 56% of earned income in 1971(1), the disproportionate purchasing power of this upper income group has greatly distorted national food consumption toward "inefficient" foods. A detailed nutrition survey undertaken in La Poterie, a poor rural village in Grenada, was compared with the national food balance tables to

(1) See Table 6 on page 132.
show that consumption of meat and imported processed foods has been much lower amongst the rural poor as a percentage of total food energy and protein consumption. Table Four on page 127 presents a summary of these different patterns of consumption.

Meat and imported processed food require greater resources to produce and hence are nutritionally "inefficient". This is particularly true where the majority of the population is inadequately fed, partly due to a lack of foreign exchange for imports of basic foods or for the inputs required to increase local productivity and thus lower the costs of basic foods produced locally. The degree of this "inefficiency" was demonstrated in Chapter Four by a comparison of the resources required to produce food for higher income diets as compared to the diets of the rural poor.

When calculations were made of the hypothetical extra acreage required to replace food imports, the difference in resource requirements between the current unequal structure of national consumption and consumption by the poor rural majority (as represented by La Poterie) became clear. When food energy consumption was assumed to be equitable and based on the composition of household diets in La Poterie, 6,874 to 7,560 ha. of extra cultivation would be required to replace 56% of food energy imports. At least 12,328 ha., or 79% to 63% more land would be required to replace the same percentage of imports if the current unequal upper income dominated demand for food energy
were to be met from local production. Tables Twelve to Fourteen on pages 170 to 181 of Chapter Four present a summary of this data.

### TABLE FOURTEEN: LABOUR FORCE AND ACREAGE REQUIRED FOR AGRICULTURAL SELF-RELIANCE

<table>
<thead>
<tr>
<th>DEMAND ASSUMPTIONS</th>
<th>HECTACRES ASSUMED NECESSARY FOR SELF-RELIANCE</th>
<th>LABOUR FORCE REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Poterie Demand (Pigeon peas)</td>
<td>6,874</td>
<td>5,130</td>
</tr>
<tr>
<td>Ly Poterie Demand (15% of wheat replaced)</td>
<td>7,540</td>
<td>5,842</td>
</tr>
<tr>
<td>L6 Poterie Demand (all wheat replaced)</td>
<td>11,344</td>
<td>8,466</td>
</tr>
<tr>
<td>National Demand (15% of wheat replaced)</td>
<td>12,928</td>
<td>9,200</td>
</tr>
<tr>
<td>National Demand (all wheat replaced)</td>
<td>17,330</td>
<td>12,733</td>
</tr>
</tbody>
</table>

Note: See Tables 12 & 13 for an outline of the assumptions made in arriving at these figures.

This tendency to consume processed food imports instead of local produce is further reinforced by recent trends in the international food industry. These trends include growing corporate concentration and a movement in the food processing industry to compete for disposable income through demand creation rather than cost reductions. These factors have influenced the technologies available to the Grenadian industry (and hence its competitiveness) as well as the particular structure of demand for food in Grenada.

Since world markets are dominated by the purchasing power of the affluent developed nations(1), food technology has

(1) See Table 8 on page 138.
developed to serve that market. Forced to compete for disposable income against manufactured goods because of relatively lower income elasticities of demand for food, the food industry has attempted to become more efficient in influencing tastes as well as in lowering production costs. The impact of advertising and the development of capital intensive technologies designed for affluent western markets have combined to trigger a process of corporate concentration which the food industry had hitherto resisted because of its sensitivity to local tastes, transport requirements and storage limitations. The quality, packaging and advertising standards against which local produce must compete are such as to discourage the development of a local food processing industry. For example, capital equipment used in the food processing industry is designed for large affluent western markets and is not as efficient when used in much smaller markets such as Grenada, further decreasing the competitiveness of local production.

The international food industry has also penetrated the Grenadian market directly through advertising in the local and regional media and indirectly through the influence of tourism on local tastes and expectations. The data presented by Dallimore and Whitehead on the food industry of the ECCM shows that the media influences tastes towards foods with a high import content and a degree of processing which is nutritionally inefficient.

Food consumption in Grenada is thus shown to be
influenced by two major factors: 1) unequal income distribution (both international and domestic) and 2) demand creation and growing concentration in the international food industry. These factors operate in such a way as to create or maintain demand for end products which can be produced using local resources and technology only with great difficulty and excessive cost. Without a restructuring of these demand patterns, the process of agricultural self-reliance will be slowed or even blocked.

AGRICULTURAL RESOURCES IN GRENADA

The third analysis undertaken in this thesis was of the level and nature of agricultural resources available for self-reliant food production in Grenada. These resources, primarily land and labour, while theoretically available in sufficient quantity to replace all food imports with local production(1), are subject to a number of conditions which limit their quick or easy mobilization. Among these conditions are a highly fragmented structure of land ownership, tenure and productivity; international commodity markets which transfer inappropriate production technology to Grenadian agriculture; a historical neglect of agricultural investment which has reduced

(1) The requirement of 5,130 to 9,200 extra agricultural workers can be compared with an agricultural labour force of 117,200 (Coad, 1983:46), a total labour force of 37,930 and unemployment of 10,460 in October of 1980. (UWI, 1980:14) Unemployment is now said to be down to 5,600, raising the possibility of labour shortages in the not too distant future. (Coad, 1983:76)
compared to an increased but unrestructured diet in La Poterie. In a society where consumption is below optimum levels for the majority of the population, it is obvious that national consumption must be restructured in order to release resources for basic needs, as well as for accumulation.

In addition to the impact of internal consumption on resource use, we have seen how external demand has influenced the use of agricultural resources in Grenada. International factors mediate the allocation of resources between external and internal consumption. This mediation has significant influence on the surplus available for local investment, hence on the productivity of the means of production and thus on the levels of production and surplus available for distribution within the social formation and to other social formations with which it trades. Here the circuit is brought full circle, as control of the means of production and the process of accumulation is intimately associated with the class relations existing within each social formation and across their borders.

It has already been noted that the transition to a new social order has far-reaching implications for the political, economic, cultural and ideological elements of the social formation. The complexity of these factors has a particular significance for the planning of such a transition. Before going on to discuss the particular relevance of these factors for economic planning in Grenada, specifically the planning of a
could increase their labour productivity. These factors which influence small farm productivity are important, since the allocation of resources for increased food production under the model proposed here cannot simply validate and maintain current conditions of efficiency which are based on an unequal sharing of the means of production such as land, credit and technology.

The implications of this dynamic view of efficiency for the planning process are many. The allocation of resources must now be based on changing patterns of control over the means of production, and thus on changing efficiency. At the same time, this control must be consolidated so as to increase co-operation and an additional division of labour in order to further increase efficiency. Yet increased control by the state will conflict with the interests of the owners of scattered private farms unless the benefits of increased efficiency are passed on to them. Alternatively and/or concurrently, educational programmes must show how, in a complex dependent economy, cultural and ideological barriers help to conceal the reality of unequal income distribution and confuse class interests.

Beyond ideological barriers however, capitalist relations of production are maintained in other, more objective ways. Since 60% of Grenada's farmland is devoted to export crops, the dynamics of international commodity markets influence food production technology in much the same way as noted above for Grenada's food processing industry. In particular, the
monopoly control of banana marketing by the transnational corporation, Geest, has introduced modern agricultural technology such as fertilizers, biocides and plastic sleeves. (1) The expansion of use of these inputs extends the cash economy to small growers and thus enlarges the market under which unequal relations of exchange drain surplus from the Grenadian economy. Geest benefits from this unequal exchange through its complete control of transport and wholesale distribution of West Indian bananas within Britain.

It must also be noted that, since this modern technology originates mainly from modern capitalist agriculture, it follows the logic of capitalist markets and favours increased productivity of fixed capital, particularly land. Since the distribution of land is unequal, this technology thus benefits one group of producers, the estates, more than others.

Despite their privileged position however, the estates have been chronically undercapitalized, since their surplus was "consumed" elsewhere rather than reinvested locally. Following the collapse of sugar, Grenadian estates drifted to local ownership and lacked the access to markets and working capital which speeded the transition to capitalist agriculture in Barbados, Jamaica, Trinidad and Guyana. Capitalist investment was also limited by the lack of significant industrial processing.

(1) See page 89 of Chapter Two for a discussion of the mechanisms of this transfer of inappropriate technology in Grenada via Geest.
necessary for Grenada’s export crops. The rugged terrain also posed limits to mechanization. In addition, what little accumulation did take place was set back by the destruction caused by Hurricane Janet in 1955 and the land "reform" policies of "Hurricane Quaity" in the early 1970’s. As a result, investment in estate lands to modernize production lagged considerably and now requires significant resources to catch up to the level necessary to bring productivity per hectare to competitive levels and so reduce the opportunity costs of local versus imported food consumption.

Investment in human "capital" to raise labour productivity was rarely considered in the past because the prevailing social relations were still strongly influenced by the racial and class divisions of slavery and indenture. Agricultural productivity in Grenada today is approximately ECS4.00 per worker per day whereas wages are ECS8.50 per worker per day. Faced with low levels of capitalization and labour productivity, Grenada’s private estates are unlikely to dramatically increase food or export production. Government estates confront the same problems and are also faced with the difficulty of competition for management personnel at a time when the state is rapidly expanding its activities in construction, tourism, fisheries and many other sectors.

Labour productivity must also be linked to the unequal patterns of income and food distribution outlined earlier.
Clearly malnutrition, poor health, inadequate housing and neglect of educational opportunities for the majority of the population have major implications for labour productivity. Furthermore, the surplus necessary to redress these considerable inadequacies must go beyond that available through the implementation of improved social welfare schemes and selective comparative advantage in trade, as advocated by theories of basic needs such as those put forward by the World Bank. (Rothstein 1977)(1) The surplus available to most government programmes in developing nations is not nearly adequate to such a task. Without a parallel programme of planning, redistribution and socialization of the means of production, as is implied by the development model chosen in this thesis, surplus which currently is diverted to consumption or to external classes cannot be captured and retained for local investment and basic consumption.

This analysis of agricultural resources has brought out the many factors which limit the productivity and ease of mobilization of the principal means of production in Grenada. In particular, it has been shown that Grenada's pattern of land use, focused as it is on export production and based on a highly unequal distribution of land, has created particular problems for

(1) Our response to the basic needs approach must be similar to that made in the discussion of dependency theory in Chapter One. The redirection and mobilization of resources required for such a sophisticated "selectivity" require a degree of economic control and regulation that is impossible under prevailing market conditions and without the socialization of relations and means of production inherent in a revolutionary process.
the convergence of local production and local consumption of
food. These problems include the distortion of domestic
agricultural productivity and the waste of a substantial quantity
of land which is left idle because of circumstances introduced by
internal class relations and by international market conditions.

SOME IMPLICATIONS OF THE DATA AND THE MODEL

In order to understand and predict the responses of the
Grenadian social formation to a project of social transformation,
the three elements of class, consumption and resources must be
understood, not only separately as they are summarized above, but
also as they interrelate to each other in a dynamic, dialectic
fashion. This circuit of interrelationships (class — income —
consumption — demand — resources — class) touches upon every
element of the complex network of institutions, political power,
culture, ideology and, above all, capital, which make up a modern
social formation.

The structure of consumption it was seen, has a
considerable influence on the resources required to satisfy the
demand for food, even though the food energy value may be the
same for different patterns of demand. In the two cases examined
in Chapter Four, sixty-three percent more land and labour would
be required to provide Grenada with the same number of calories
of food assuming the current unequal distribution of food, as
compared to an increased but unrestructured diet in La Poterie.

In a society where consumption is below optimum levels for the majority of the population, it is obvious that national consumption must be restructured in order to release resources for basic needs, as well as for accumulation.

In addition to the impact of internal consumption on resource use, we have seen how external demand has influenced the use of agricultural resources in Grenada. International factors mediate the allocation of resources between external and internal consumption. This mediation has significant influence on the surplus available for local investment, hence on the productivity of the means of production and thus on the levels of production and surplus available for distribution within the social formation and to other social formations with which it trades. Here the circuit is brought full circle, as control of the means of production and the process of accumulation is intimately associated with the class relations existing within each social formation and across their borders.

It has already been noted that the transition to a new social order has far reaching implications for the political, economic, cultural and ideological elements of the social formation. The complexity of these factors has a particular significance for the planning of such a transition. Before going on to discuss the particular relevance of these factors for economic planning in Grenada, specifically the planning of a
programme of agricultural self-reliance, let us look at some of the more general implications of the model chosen here which purports to include and deal with these complexities.

The choice of the model presented throughout this thesis has been made, not because it provides definitive answers to the problems of Grenadian underdevelopment (for these are elusive in any complex social formation) but because it incorporates a framework for the study of these problems which explains many of the forces behind the process of development/underdevelopment, yet offers a flexibility of praxis which is not found in orthodox capitalist and socialist theory. (Lips, 1977:100) As noted in Chapter One, the search for an alternative model began with the failure of dependent, peripheral capitalism, dependency theory, orthodox Marxism and the Marxist theory of the Non-Capitalist Path to completely explain or resolve the social and economic crises facing the Caribbean and Grenada today.

The failure of dependent, peripheral capitalism was shown to centre on the inability of the Grenadian bourgeoisie and petty-bourgeoisie to retain sufficient surplus from an internationally dominated export-oriented economy and thus accumulate enough capital to finance local capitalist growth. The weakness of dependency theory was found in its neglect of the full complexity of class relations which put limits on economic nationalism, one of its principal recommendations. This evasion
of the full implications of class obscured the analysis of surplus flows and accumulation and the importance of classes in the ebb and flow of history. Dependency prescriptions thus have tended to be economistic and have failed to integrate social, political and ideological factors. (Leys, 1977:94)

The orthodox Marxist model relies on a stage of capitalist development to consolidate scattered private property, increase efficiency and develop the means of production through accumulation, but this did not happen naturally in Grenada. Therefore the orthodox Marxist approach falls into the same trap as neo-classical theory. It does not account for the unevenness of the spread of capitalism and it provides no guide for progressive change for dependent peripheral economies. The theory of the Non-Capitalist Path has argued that a patriotic, nationalist bourgeoisie can be convinced to co-operate in the development of local forces of production while socialist awareness is being prepared for the next stage of full socialism, when they will be dispossessed. This theory also has assumed that the level and nature of assistance from the socialist world would be adequate to bypass the stage of capitalist accumulation. As argued earlier, this assumption is tenuous given the geopolitical realities of the Caribbean and the considerable differences between the needs of small agricultural economies such as Grenada's and the heavy industry and technological infrastructure of the Soviet and East European economies.
Having exposed the weaknesses of these models, we must ask what this alternative model offers. It should be clear that it presents no "off-the-shelf" prescriptions, but rather a systematic means of studying the available resources, technical factors and social and political conditions which influence the possible levels of consumption in a given social formation. It follows that only comprehensive planning can mobilize the forces of production now unemployed or geared to unequal exchange on international markets. However, it does not follow that such planning should be bureaucratic and divorced from the majority of the society which it is meant to benefit. Unfortunately, that has been the experience of many, if not most, socialist societies as a result of the technical complexity of economic planning and the appropriation of both information and management functions by a small group of technocrats or cadres. Thomas has argued that an alternative strategy must integrate both the development of the forces of production and changes in the relations of production, so as to eliminate dependency in all of its forms, particularly in social relations between people. (Thomas, 1974:297)

The transition to a new social order implied in such an alternative model involves far reaching changes in the political, economic, cultural and ideological elements of a social formation. It is a process which is enormously complex and which advances unevenly on many fronts, over an extended period of time, and is vulnerable to prolonged or even permanent reverses. (Bettelheim and Sweezy, 1972:107)
An example of the problems to be faced with the proposed model strategy (or with any other for that matter), is the potential contradiction between peasant agricultural production and socialist relations of production. If small farmers are provided with the credit, extension services and appropriate technology to increase their historically blocked productivity and are allowed to retain the surplus generated by this production, there may well be insufficient surplus available for investment in other sectors of the economy, particularly industry, or even a deficit in food supplies for the urban population. If, on the contrary, the "peasantry" is relieved of this surplus, experience has shown that they are capable of sabotaging the process of transition, either actively if they have the political power, or indirectly (but almost as effectively) through the drag which their inefficiency and reduced consumption can exert on overall economic development in a predominantly agricultural economy. (1)

Further, the coexistence of various forms of land tenure (for example, peasant small farms, middle peasants, landless labourers, mini-estates, plantations, state farms and

(1) Foster-Carter notes that "Socialists have less freedom of manoeuvre, at any rate as regards colonial plunder: 'A socialist state...repudiates on principle all the forcible methods of Capital in this sphere.' Happily, though, the taxation of 'pre-socialist' economic formations is 'quite different'; indeed, it 'must inevitably play a very great, a directly decisive role in peasant countries such as the Soviet Union' (Preobrazhensky in Shanin 1971a:223). Just how these two are 'quite different' is as unclear to the outsider as it must have been to the victims." (Foster-Carter, 1974:72)
cooperatives) requires that a diversity of solutions will have to be found (Thomas, 1974:289) since, as we have seen in Chapter Four, the resources required for self-reliant agriculture are beyond the capability or resources of any one group or class. It must also be noted that solutions which increase agricultural production cannot be solely concerned with the quantity of output. As is clearly shown in Table Fourteen on page 181 above, the composition of output is inextricably linked to the quantity of land and labour required to produce it. Thus the quantum and composition of agricultural production are inseparable for the purposes of planning the transition discussed here.

(Thomas, 1974:289)

To these complexities we must add the difficulties of calculating optimum rates of accumulation versus consumption once a new political process can provide us with a social consensus as to what is acceptable under which circumstances. On this is superimposed the calculation of opportunity costs for a vast range of projects and the striking of an overall balance as to the appropriate allocation of surplus which will ensure the structural transformation agreed upon. And if that is not enough, this must be accomplished without the aid of a general theory of transition and often even without adequate comparative studies of transitions from one social order to another, since each process is unique and must be treated historically as such.

(Bettelheim and Sweezy, 1971:107)
future study and debate.

The planning process is one area which signals such concern. The preparation of the National Budgets in 1982 and 1983 was carried out with an impressive sharing of information and consultation with a broad spectrum of public opinion, through mass meetings and informal "accountability" sessions attended by the leadership of the NJM and senior government officials and usually broadcast on Radio Free Grenada. However, there are areas where this process could have been improved, especially with regards to the deepening of the level of consultation. Despite the openness of this consultation, the Budget and Plan documents, as well as the tone of the public meetings, have given the impression of a dual nature to the planning process. Public consultation was focused on the details and management of the projects proposed, while the overall process of project selection and prioritization as it relates to the more complex process of structural transformation was reserved to less public discussion within the Ministry of Planning and the Political Bureau of the NJM. Only general priorities such as increased employment, improved infrastructure, higher living standards and increased state revenue without higher taxes were set out in the Budget for 1983. (Coard, 1983:79)

The danger in these dual levels of planning lies at a later stage of the revolution when the period of initial growth and major structural change is over and the planning process must
transformation, it is nevertheless sufficient to provide an indication of the practice as well as the theory which lie behind the NJM/PRG’s programme for the socialist transformation of Grenada.

As noted earlier, it would appear that the NJM/PRG has opted for the theory of the Non-Capitalist Path as their model. (Ambursley, 1981:440) The practice emanating from this theory tends to confirm their choice. The stress on a mixed economy, the inclusion of the national bourgeoisie in senior government positions (1), the hopes pinned on North Atlantic tourist markets, the maintenance of essentially capitalist relations of production on the state farms, all point to an alliance with the “nationalistic, progressive bourgeoisie and petty-bourgeoisie” as advocated by the Non-Capitalist Path. (Gopalsv, 1981:2) What are the implications of this political direction in light of the alternative model advocated in this thesis? There are three main concerns which merit discussion here.

First, the economic improvements flowing from the reform nature of this process will soon find their limits. It has already been noted that the influx of construction funds for the airport has temporarily offset the historic drain of surplus in the agricultural sector. Similarly, increased administrative and

(1) Lynden Ramlahny, a member of one of Grenada’s large plantation families, has held posts as President of the National Commercial Bank and Deputy Minister of Finance and Trade in the PRG.
management efficiency over the wasteful Gairy years has permitted certain qualitative and quantitative increases in both consumption and accumulation. Much attention has been focused by the government of Grenada on the World Bank's statement that Grenada was one of the few countries in the Western Hemisphere to experience per capita growth during 1981. (World Bank, 1982:18) Little is said however, about their observation that, in a small open economy, the projection of GDP growth rates is meaningless because an influx of foreign exchange of the order of US$10 million would probably increase GDP growth by several percentage points. (World Bank, 1982:18) While one can and should argue that GDP growth rates cannot be discussed without reference to the restructuring of GDP, this point nevertheless has significance for Grenada's ability to increase both consumption and investment once the considerable influx of foreign exchange for construction of the international airport slows to a trickle in 1984.

At a later stage, possibly in only a few years, the traditional drain of surplus now balanced by airport construction will slow economic growth and increase the difficulties to be experienced during the transition. It is not impossible of course that other large projects which attract substantial foreign assistance and loans might be planned to continue the stimulation of growth. However, growth alone cannot be a criteria for development planning. Such projects can only postpone the necessity for agricultural transformation. Further, such large projects on their own risk creating conditions of unequal
exchange if their net effect is to require more foreign exchange than they generate in their lifetime. No such analysis of the economic impact of the international airport has been published by the Government of Grenada, and one can only speculate that there is considerable risk involved given the current international recession and the American propaganda directed against tourism in Grenada.

It should be clear from the objective factors of food consumption and agricultural resources presented in Chapters Three and Four, that, without a major restructuring of food consumption and production, the agriculture sector cannot become efficient enough to act as a source of surplus for increased local consumption and accumulation. Nor can tourism, and especially tourism structured around external markets intimately linked to international capital, offer much hope as a major generator of surplus, although it may have a role on a transitional basis as a source of foreign exchange. This latter point requires some caution however, since a balancing act between an admittedly dependent tourist industry and concurrent restructuring of other sectors of the economy make the entire process vulnerable to external blackmail and sabotage. (Ambursley, 1981a:448)

Without reconstruction of Grenada’s basic agricultural economy, the economic gains of the revolution will be limited by the historical drain of surplus from an export agricultural
sector which operates under unequal exchange relations on international markets. While there have been major improvements in the levels of income and standard of living for the majority of Grenadians, these levels are still very low and inadequate in many ways. The imperative of agricultural transformation can therefore only be temporarily postponed, and even then at the risk of providing external forces a period during which to oppose it.

Secondly, without major changes in the relations of production, the democratic gains of the revolution will be endangered. It has already been noted that democratic reforms, no matter how far reaching, cannot in the long run be a substitute for social control over the means of production. Without this control, the "popular classes" as the majority, cannot control the generation and distribution of surplus within Grenada. Without economic control and democracy, political democracy and freedom are insecure, as has been shown in cases ranging from the Soviet Union to Chile. (Thomas, 1978:23)

On this point, it is perhaps early for conclusive comments. There can be no doubt for example that political democracy has expanded significantly in Grenada under the NJM/PRG, and shows signs of further widening and even institutionalization in the formation of a constitutional commission. (L.A.N., 17 June, 1983) There are areas of concern that bear discussion however, if only to point the direction for
future study and debate.

The planning process is one area which signals such concern. The preparation of the National Budgets in 1982 and 1983 was carried out with an impressive sharing of information and consultation with a broad spectrum of public opinion, through mass meetings and informal "accountability" sessions attended by the leadership of the NJM and senior government officials and usually broadcast on Radio Free Grenada. However, there are areas where this process could have been improved, especially with regards to the deepening of the level of consultation. Despite the openness of this consultation, the Budget and Plan documents, as well as the tone of the public meetings, have given the impression of a dual nature to the planning process. Public consultation was focused on the details and management of the projects proposed, while the overall process of project selection and prioritization as it relates to the more complex process of structural transformation was reserved to less public discussion within the Ministry of Planning and the Political Bureau of the NJM. Only general priorities such as increased employment, improved infrastructure, higher living standards and increased state revenue without higher taxes were set out in the Budget for 1983. (Coard, 1983:75)

The danger in these dual levels of planning lies at a later stage of the revolution when the period of initial growth and major structural change is over and the planning process must
maintain efficiency through marginal adjustments in the economic processes. (Thomas, 1974:297) Without effective social (that is worker) control over the work process and the means of production, the planning apparatus cannot incorporate the social consensus on decisions relating to consumption versus accumulation. The development of this consensus cannot be limited strictly to the political sphere without risking undue ideological (and thence economic) influence over the political process by a small group of technocrats or cadres which controls ideological instruments such as education and the media.

The line between vanguard and a new class of exploiters is a fine one, and is governed not only by the will of the political leadership, but also by objective forces such as capital and other economic elements, both external and internal. The weakness of the Grenadian bourgeoisie and petty-bourgeoisie and the complexity of the transition process may permit the political leadership through state control, to ensure domination over the process in the interests of the majority. However, such leadership cannot be left simply to voluntarism.

Thirdly, it must be recognized that the external forces aligned against the Grenada revolution may be so great that any attempt at a major restructuring of agriculture along these lines will be opposed with such force as to make it not only impossible, but counterproductive. There is evidence that this conclusion has been reached by at least some of the NJM
while only speculative, it would appear that Maurice Bishop's June 1983 visit to the United States has been followed by the removal of Grenada at least from President Reagan's public "hit list". The promise of elections under a new constitution and the promise to prevent Cuban or Soviet military use of the new airport received prominent media attention at the time of Bishop's visit. In addition, there is little doubt that the NJM/PRG is cultivating a social democratic image in its external relations.

Under these circumstances, a Non-Capitalist Path may be the only viable option at the moment for Grenada. The implications however, should be clear from the two concerns expressed above. The revolution will soon run out of economic steam. The political implications are less clear and will depend upon the level of class awareness which has been and can be generated by the revolution.

This awareness has historically been very low, and to some extent may seem higher than it actually is because of a heightened nationalism brought on by the Reagan administration's blatant attacks on Grenada. There has been no significant internal ideological challenge to the NJM/PRG to-date. The Grenadian bourgeoisie and petty-bourgeoisie undoubtedly still feel that their own gains from a nationalist "revolution" are greater than their perceptions of a long term threat from the
NJM/PRG. There is a point however, beyond which these classes will not venture. The determination of that point must be a major task in the study of class relations in Grenada over the next several years.

It must be remembered that revolutions are made, not only as a response to certain objective conditions, but also at certain historical conjunctures which permit an acceleration of the subjective conditions of class awareness. History is replete with such conjunctures, one example of which was March 13, 1979. Revolutionary strategy must therefore base itself on the scientific analysis of objective conditions and on the actual state of class struggle and awareness.

The critique of the PRG and NJM implicit in many of the above comments must be put into context before closing. Whatever the political direction of the PRG, it cannot be denied that a process of revolutionary change has begun in Grenada against great odds. It is opposed by both internal and external forces of no small importance. While these constraints are considerable and an impression of pessimism may be given, one need only look at the corruption, mismanagement and lack of planning of any kind in a number of other Caribbean territories to recognize the depths from which the PRG has rescued the hopes and aspirations of Caribbean people.

There is much to be learned from the successes and failures of the PRG as the revolution progresses, and there is
much at stake for other Caribbean progressive movements. Among these lessons is the need for international solidarity to counter and reduce the external forces that are being mobilized against Grenada's right to resolve its own problems and to set its own agenda. Another is the responsibility of all progressive groups to develop the technical and managerial skills as well as the political expertise and organization to face the tasks implicit in making a revolution with and not merely for the people.
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