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Plantation Economy Model as Developed by Lloyd Best and Kari Polanyi Levitt: The Case of Jamaica

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Plantation Economy Model

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Abstract

Lloyd Best and Kari Polanyi Levitt created the Theory of the Plantation Economy as an analytical tool for understanding the causes of underdevelopment in the Caribbean region. The theory provides a break from the classical understanding of developing economies as simply pre-industrialized societies. Instead, the theory tracks uneven development through analysis of metropole-hinterland relations, which account for the legacy of slavery, colonialism, and mercantilism on the structure of the global economy. In doing so, Plantation Theory is able to draw a clear link between underdevelopment in the hinterland and development in the metropole. Examining the usefulness of the Theory of Plantation Economy when applied to the Jamaican economy allows this paper to provide a comprehensive picture of Jamaica's economic history. A picture which examines the unique structural legacy left by mercantilism and the 'plantation system' on economic agents and institutions. This paper examines issues associated with dependent export-led economies. It also tracks the movement of global capital and the transformation of the economic enterprise through the lens of the Jamaica economy.

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Introduction

Economic doctrines concerned with national growth and development tend to measure development against the backdrop of European industrialized capitalism (Pasinetti 1960, Kaldor 1961, Romer 1986). For non- European states, particularly those with a historical experience with colonialism, this framing commonly misrepresents them as latecomers — new to the global economic system. For most of these states, issues such as unstable growth patterns, high poverty rates, and resource mismanagement are treated by conventional economic literature as evidence of a nascent pre-industrialized economy (W. W. Rostow 1990). This economy is usually described as one in which productive resources have been previously underutilized and inefficiently allocated. In other words, an economy that is largely rural and has limited experience with 'competitive' market forces and capitalistic enterprises (Lewis 1954, 2003). This sweeping depiction of non-European developing nations frames these persistent problems as individually controllable and isolated issues instead of presenting them as intractable structural problems related to the construction of the global economy itself. In the case of the Jamaican economy, an economy shaped by a long history of imperial exploitation, plantation agriculture, and resource extraction for consumption in external markets, applying a euro-centric frame of development is imprecise.

This thesis attempts to explore the historical development of the Jamaican economy, beginning from mono-crop plantation production, then through bauxite resource extraction, ending with the tourist service industry of today. It also attempts to explore the transformation of economic enterprises through the plantation and joint-stock company, the metropolitan plantation enterprise, the transnational bauxite company, and the multinational resort chain. To give context to this discussion, the Theory of the Plantation Economy is used as a theoretical tool for framing the various stages of development that occur throughout the history of the Jamaican economy (Sudama 1979). A theme of continuity highlights the rigid nature of economic structures that adapt to different periods. Mercantilism, for example, is seen by the plantation economist as an overarching global trade system that continues to influence how economies operate today (Levitt 2002). Mercantilism was used as early as the 17th century to facilitate the expansion of metropolitan markets is prioritized by imperial policy and exclusivist trade arrangements. In the context of the plantation economy, it was used to this system was used to subjugate economic agents in the plantation economy and create wealth for the metropole (Best 1968). According to Plantation Theory, the evolution of today's global market system has historical roots in this old system of mercantilism. The enduring legacy of mercantilism implies that underdevelopment in certain economies should be framed as an issue of ownership and control of the economy instead of an issue associated with industrialization (Levitt and Best 1969).

Plantation Theory emerged from a need to challenge the 'one-size-fits-all' model for development that tends to be applied to all underdeveloped countries (Best and Polanyi-Levitt 2009). The Theory asserts that the unique historical conditions faced by former colonies engaged in plantation production gave rise to a set of restraints and a legacy of challenges that still influences how their economies operate today. Plantation economists pay close attention to the structural foundation upon which a national economy was built. Patterns that persist throughout a country's economic history are often traced back to colonial exploitation and the infrastructure of a global mercantilist system that was implemented over five centuries ago. As applied to Jamaica, Plantation Theory is historically accurate in recognizing that the economy has always been engaged with global markets. The Theory also acknowledges the historical reality that colonial outposts with large numbers of 'traditional' plantations operated as peripheral production centers for certain metropole economies. These Plantation Economies carry with them a legacy of externally propelled growth since production was always conducted to facilitate accumulation and expansion of an external metropole economy.

Structural legacies can sometimes be inflexible and enduring; they continue to re-impose themselves on societies and economies unless they are fundamentally disrupted. Plantation Theory recognizes this and allows the thesis to explore issues of continued unemployment, import dependency, and overreliance on external markets through time. Plantation Theory also allows the thesis to examine how non-economic factors such as social patterns and political power shape the modern economy. Although this type of analysis is missing from most mainstream economic theories, Plantation Theory is more detailed in its analysis of British colonialism related to island economies than other heterodox theories (Worrell 1980, N. Girvan, Caribbean Dependency Thought Revisited 2006).

This paper is divided into five chapters which the author uses to analyze the history of the Jamaican economy through the framework of the successive models developed by Plantation Theory. Chapter One begins by providing a contextual analysis of the theoretical and historical origins of the Plantation Theory. This chapter attempts to provide a picture of how and why the Theory originated and why its authors thought it helped describe distinctive development patterns. Chapter Two describes the first model crafted by the plantation economists, the Pure Plantation Economy. The chapter analyses the model's relevance to the initial historical reality of the Jamaican economy before emancipation. Chapter Three evaluates the plantation economist's second model, the Plantation Economy Modified, and its relevance to the Jamaican economy post-emancipation. Chapter Four evaluates Plantation Economy Further Modified, the third model built by Theory. This chapter evaluates the third model's relevance to the Jamaican economy in the period following independence. The final chapter evaluates the accuracy of the predictions regarding structural rigidity made by the plantation economists regarding the modern Jamaican economy. This paper ends with concluding remarks regarding the relevancy and limitations of the Plantation Economy Model as a tool for evaluating economic development.

Chapter 1- A Contextual History

Trinidadian economist Lloyd Best and Canadian economist Kari Polanyi Levitt developed the Theory of the Plantation Economy. In the 1968 article entitled "The Outline of A Pure Plantation Economy," Best outlined a novel framework for discussing the evolution of previously colonized 'third world' economies. Best and Polanyi Levitt sought to develop an economic theory that accounted for the unique economic systems, initially formed by colonialism, operating in the newly independent Caribbean islands. Key to their theory was a historical analysis of the societal, cultural, and institutional characteristics of a specific type of economy, the plantation economy (Best and Polanyi-Levitt 2009).

Plantation theory developed out of a third-world-centered approach to economic development. The work of economists Celso Furtado, Raúl Prebisch, and Osvaldo Sunkel contributed to the theory's framing of the global economic order. Celso Furtado distinguished between 'center' and 'peripheral' countries within the global economic system based on the "international division of labor" (Furtado 2021). For Furtado, the industrial revolution allowed the center countries to specialize in goods requiring constant technological progress, while the peripheral nations were left to create goods that required little technological innovation. Furtado used the case of Brazil to describe how this asymmetry in global trade was the root of underdevelopment (Furtado 1964). Furtado's distinction between center and peripheral nations is similar to the distinction between metropole and hinterland countries in Plantation Theory. Best describes metropoles as technologically advanced nations that produce manufactured goods, while hinterlands are described as nations mainly engaged in crude processing and raw material production (1968). For Raúl Prebisch, this trade specialization between countries creates an inherent imbalance in the balance of payments for countries on the periphery (1950). Because peripheral countries are not the drivers of technological innovation, they have a low rate of capital formation and become dependent on the center for manufactured consumer goods, capital, technology, and most importantly, for a market for their primary export products (Prebisch 1959). Prebisch's analysis is the same as the plantation economists' description of trade dependence between the plantation economy, a type of hinterland, and the metropole. Osvaldo Sunkel elaborated on the internal polarization that occurs within 'peripheral countries.' For Sunkel, the low capital formation within the peripheral nations causes wealth to be concentrated in the hands of a relatively small high-income group that directly benefits from the existing paradigm. Policies related to industrialization pursued by this small group fail to challenge the global economic order and instead attempt to imitate the development and consumption patterns of the more industrialized center (Sunkel 1973). Sunkel's views align with the way in which the plantation economists describe the role of elites in maintaining import patterns that prioritize goods from the metropole over goods from the local economy. Other economists of the dependency theory school have expanded on the work of Furtado, Prebisch, and Sunkel, recognize the importance of exploring ways in which the global trade system perpetuates uneven development and leaves certain countries dependent upon others (Vera 2006, Taylor and Bacha 1976, Singer 1950). However, this school of thought fails to account for the significant disparity in development outcomes that affect peripheral nations. The plantation economists attempt to avoid this problem by subdividing hinterland economies according to the unique history of each with colonization. Specifically, the disparities in economic outcomes in hinterland colonies can be explained by the era or age during which colonization by the metropole occurred, the length of time before independence, and the initial reason for colonization, i.e., plunder, settlement, or exploitation (Best 1968). Whereas dependency theorists focused more on present distinctions between center and peripheral nations, plantation economists focused on the historical distinctions between peripheral or hinterland nations. In doing so, the plantation economists avoided being too general in their characterization of the developed world.

Plantation Economy heavily relies upon an interdisciplinary fusion of history, political economy, sociology, and economics. Best and Levitt credit Harold Innis's historical account of the fur trade in Canada as inspiration for this type of analysis (1930). Innis successfully used political economy and economic history to illustrate the modern influence that manifestations of empire and imperial power had on economic agents. He and the plantation economists attempted to use their work to highlight the resilience and continuity of economic systems developed during the colonial era. Dudley Seers' work on the open petroleum economy model, which locates the export sector as the impetus of a dependent domestic economy, was also highly influential in designing the economic models used in Plantation Theory (1964). Seers' work challenged the Keynesian view (conventional at the time) of 'autonomous expenditure’ (1962, 1969). For Keynes, some portions of consumption, investment and government expenditure, and net exports were exogenously determined and could influence the level of income and employment in the economy. Seers and the plantation economists agree that in an 'open' economy, which is heavily reliant on an export staple, export earnings is the only autonomous variable. All other income and employment determining variables are directly linked to export revenue (Best and Polanyi-Levitt 2009, 215-231). Together with the previously mentioned dependency theorist, Innis and Seers formed the theoretical basis for the Theory of the Plantation Economy.

The work of W. Arthur Lewis is often cited as being most influential to the plantation economists. Best and Polanyi-Levitt focused on challenging Lewis's analysis of growth with unlimited supplies of labor (1954, 1958). For Lewis, the industrial capitalist sector was an essential engine of transformation for the 'traditional or backward economy' (1951). Lewis's view was shaped by Ricardian theories on the limits of agricultural production. The plantation economists took issue with this. To them, the habit of generalizing from the English classical case (of industrial development) prevented Lewis from recognizing the dominance of the agricultural export sector and other unique structural and institutional factors at play within the Caribbean context (Best 1968, 283 & 323). To challenge Lewis' work, Best and Polanyi-Levitt drew on historical accounts of chattel slavery and plantation production, which illuminated how colonial structures operated to influence current Caribbean cultural, political, economic, and psychological patterns. For this historical analysis, they relied on Caribbean social scientists' pioneering work such as that of Eric Williams (1944), and George Beckford (1972). Many other academics, such as Norman Girvan (2005) and Dennis Pantin (1980), were in constant communication with the plantation theorists through their academic work, which reinforced, challenged, and refuted the Plantation Models' analyses and claims. For example, Best and Polanyi-Levitt' cited Trevor Sudama's critique and application of the Theory of Plantation Economy to the Trinidadian economy (1979) in their 2009 book. Historians of the Caribbean economy like Beckford (1972) and Tony Weis (2004) also have used the terminologies and postulations associated with the plantation economists in formulating their academic papers. While economists, such as Alex Dupuy (1983), Vanus James (1993), and C. Y. Thomas (1968), have produced interesting counterarguments to Plantation Theory while acknowledging the theory's influence on Caribbean academic thought.

The plantation economists and their theoretical influences developed their theories at a time of great political turmoil and unrest within the developing world. The latter half of the twentieth century saw the independence of many previously colonized territories and the birth of new political and philosophical movements within the third world, which challenged the orthodoxy of euro-centric views on development and society. The plantation economists operated in line with many of their third-world contemporaries in attempting to formulate a new paradigm that demonstrated the structural and institutional limitations imposed on new independent economies. They also sought to illustrate the effects of chronic dependence on these economies on previous colonial and neo-colonial states. Dependency was viewed as the central challenge faced by economies in Latin America and those of other developing countries. Polanyi-Levitt and Best also operated at times of great political urgency; the issues of persistent unemployment and poverty, specifically within the Caribbean region, could no longer be ignored as more of the population gained political power. Polanyi-Levitt and Best also operated at times of great political urgency; the issues of persistent unemployment and poverty, specifically within the Caribbean region, could no longer be ignored as more of the population gained political power. In many Caribbean countries, years of political unrest and mass protest by the working class had been instrumental in pushing towards independence[1]. The popularity of National Liberation Movements across the region reflected people's frustration with the colonial system, which

[1] See for example the Jamaican Labor Rebellion of 1937, St Kitts Sugar Strike of 1935, Trinidadian Oil Field Protest in 1937 and the 1937 Bridgetown Labor Rebellion.

seemed unable to bring economic progress or improve the material conditions of people's lives.

By the 1960s and 70s, nationalist sentiments spurred by the previous independence movements gave way to anti-imperialist thought at the University of the West Indies. A new generation of Caribbean intellectuals at the University grew increasingly unhappy with the slow pace of decolonization and the inability of political programs and national leaders to remedy the pressing issues of poverty and inequality (Bernal, Figueroa and Witter, Caribbean Economic Thought: The Critical Tradition 1984). The Black Power Anti-War and Civil Rights movements occurring in North America as well as the sign of discontent within their region (for example, the Rodney riots in Jamaica in 1968 and the protest against Trinidad's first prime minister, Eric Williams) began to influence ideas presented by Caribbean thought leaders. Both Best and Lloyd were among the group of scholars who classified their ideas as radical because they sought to reshape the role of the developed economies in the global economic system away from their current positions as extractive tools. At this time, Llyod Best became a founding member of the ''New World Group'', a group of scholars at the University of the West Indies who were ardent in the belief that the legacy of the imperial order and foreign dependency were the main impediments to development in the region (Bishop 2013, 41-45). These intellectuals sought to establish new schools of thought that centered on the historical experiences of their region. Polanyi-Levitt became connected to West Indian history and society through students at the McGill University. She met Llyod Best and other members of the New World Group in 1961 on research related trip to the University of West Indies in St. Augustine (Levitt 1995, Mendell 2005). The authors of the article Caribbean Economic Thought: The Critical Tradition eloquently use the words of Best and George Beckford to describe the problems identified by radical thinkers. " Everywhere there is disorder, what is more, it is mounting disorder: growing population; lagging incomes; increasing unemployment; widening disequality; lengthening dependence and rising discontent" (Best 1967, 7). This is despite "400 years of direct participation in the modern economy" (Beckford 1972, xxiii) and a considerable period of active government intervention in the economy. Finally, they saw inadequate theoretical underpinnings of past policy initiatives as the root cause of their failure and hence the continued quagmire faced by Caribbean society (Bernal, Figueroa and Witter 1984).Therefore, Polanyi-Levitt and Best developed Plantation Economic Theory to inform policy and planning in the region and a used didactic tool for the Economics discipline. It must be noted that the Plantation theorist also developed a system of national accounts as well as mathematical modeling to complement their conceptual and historical analysis; however, this paper will mainly focus on their theoretical arguments.

Mercantilism and the persistence of mercantilism are the central themes of the work of the plantation economist. Hasan Mikail defines *mercantilism* as a:

> "trend aiming to centralize in political and economic aspects and to increase the authority of the king……. Importation of manufactured materials and high duty taxes are prohibited while the importation of raw materials is legalized. A great deal of importance was given to the international transportation services (and) to exportation in order to increase the gold stock" (2009).

As it developed in the 17th Century, mercantilism was relevant to imperializing nations as long as merchant capital was the primary means of accumulation and metals such as gold and silver constituted the basis for exchange. However, from the standpoint of the colonized nation, mercantilism was used to ensure that only goods from colonizing metropole were consumed in each colony. It also set up the financial and production infrastructure that allowed specific raw materials from imperial colonies receive a protected market in the metropole. Mercantilism was responsible for imposing upon the plantation economy its reliance on export propelled growth, the dependence of foreign capital, and a limitation on the growth of the domestic market. Kari Polanyi-Levitt draws attention to the legacy of mercantilism in the modern era in her discussion of the operations of the multinational corporation (Levitt 2002). Multinational firms emerge out of the continued growth and centralization of global capital in the hands of a few large companies. They are based in (with minor exceptions) in nations with an imperial legacy and are supported by the political infrastructure of their respective metropole. As Levitt describes them, multinational firms can direct economic activity in ways that ensure that primary production in the hinterland is done to directly support more sophisticated industrial activities that occur in the metropole. As Anthony Brewer points out, analysis of multinational corporations has been present in Marxist thought on imperialism (1990, 261-272). However, in Plantation Theory, Best and Polanyi-Levitt can trace the operation of the multinational company in the plantation economy's modern era to its historic roots via the operations of the plantation and the joint-stock company. In this way, they can show the way in which economic systems that previously supported the growth of merchant capital in the metropole have adapted to support modern capitalist accumulation in the metropole with no corresponding hinterland development. The central thesis of Plantation Theory is that the mercantilist framework, imposed initially upon the economy during the colonial period, continues to adjust without fundamentally changing. Therefore, in an example of a plantation economy such as Jamaica, economic patterns of export-oriented growth were formed and continue to support trends of extraction and exploitation that ultimately benefit an external economy.

Chapter 2- Pure Plantation Economy: Pre-Emancipation (1600-1838)

Plantation Theory was developed as a framework for understanding the persistent underdevelopment that plagues a specific set of previously colonized nations. The theory classifies the economy of each of these nations, according to its relationship, as a hinterland, with a dominant imperial power, the metropole. A metropole or metropolitan economy is an economy at the center of the global economic system. It is the locus of all economic decision-making, discretion, and choice for a given set of hinterlands (Best and Polanyi-Levitt 2009). A hinterland or hinterland economy is peripheral to the metropolitan economy and functions effectively as its extended arm. Hinterlands are established to meet specific demands of each metropole and operate in a market created and controlled by their respective metropole (Best 1968). Each hinterland can be classified according to the motive driving the colonial metropolitan power to establish it.

Plantation theory distills the motivation for establishing a hinterland economy into three broad categories: plunder, settlement, and production. Hinterland economies created for plunder are shaped to facilitate the transfer of wealth (usually in the form of precious metals) from hinterland to metropole. These hinterlands are known as hinterlands of conquest. Hinterland economies created for settlement are organized according to the needs of settlers from the metropole and are formed as expanded industrial production in the metropole leads to continuous migration. These hinterlands are termed hinterlands of settlement. Hinterland economies formed out of the motive to produce goods destined for metropolitan markets are classified as hinterlands of exploitation. According to Best, "hinterlands of exploitation experience the greatest difficulty in adjusting to the breakdown of the mercantile order because (it is) here the mercantile system has left behind its most elaborate productive apparatus" (Best 1968, 294). In the hinterlands of conquest, mercantilism is manifested in the form of administrative and military control. In the hinterlands of settlement, mercantilism mainly restricts the level of trade that can occur between the hinterland and other colonies. In both these types of hinterlands, production is organized around the family or a communal domestic unit. Therefore, local systems of organization and self-sufficiency can be developed independently of the metropole. The legacy of mercantilism does not restrict the development of internal market systems in these types of hinterlands; this ultimately aids the push for industrial development in these economies later. Hinterlands of exploitation, by contrast, have more frequent and direct contact with the metropole due to their status as productive outposts. In these hinterlands, the metropole is directly involved in organizing production, trade, and administration for its own purposes. Production is oriented towards external markets, and the development of internal market systems is implicitly restricted. The mercantile trade system appears most thoroughly enforced in these economies and leaves behind a more lasting and restrictive legacy. Therefore, this group of hinterland economies is the specific focus of Plantation Theory.

Hinterlands of exploitation are organized around production for trade. They are reliant upon the metropole for the finance and market access necessary to promote productive enterprise. It is within this group of hinterlands that we find the Plantation Economy. The Plantation Economy is a specific type of hinterland of exploitation, identified according to the dominance of a unique economic formation, the plantation. A plantation is an economic unit devoted to the production of a traditional export staple. It primarily engages in agricultural production and uses slave labor as the primary input into the production process. The plantation works alongside another economic unit, the joint-stock company. The joint-stock company operates as a liaison between metropolitan markets and colonial production in plantation economies. It supplies the plantation with production inputs from the metropole, slave labor from African shores, and provides access to buyers of plantation produce in a system commonly referred to as the triangular trade. The joint-stock company is primarily involved in merchant trading activity and occupies an enterprising role in the plantation economy, directing the tools of production towards the unit of production and providing a market for plantation output. As a unit of enterprise, the joint-stock company also provides plantations with the financial capital and liquidity needed for their operations.

The plantation and the joint-stock company allow plantation economies to operate as externally propelled economies. Because they are the central units of organization in the economy (and in the society), the entire economy relies on the success of a single export crop. The plantation economy is, therefore, subject to the demand and supply patterns of the metropolitan economy. The economic apparatus of the mercantile system operates to ensure that capital, technology, entrepreneurial skill, and high valued goods are all obtained from the metropole. As such, these plantation economies are only allowed to engage in primary, low-skilled agricultural production activity. Also, because the owners of the plantation units and joint-stock companies are citizens of the metropole, the majority of profits and revenue made in the plantation economy is transferred to the metropole. Based on this description, it is clear that the issues facing plantation economies do not stem from the development of industrial production, nor is this an issue of insufficient capital investment. Instead, problems faced by the plantation economy stem from its orientation towards an external economy. As developed in the 17th century, mercantilism is the overarching trade system that keeps the plantation economy's fixation on externally oriented production in place. It generates a relationship of dependency between the plantation economy and the metropole, which perseveres into modern times. As Best describes, the deeply entrenched legacy of the mercantile system leaves behind institutions, structures, and patterns of dependency that do not fade but instead tend to adapt within the bounds of an established framework (Best 1968, 294).

Both Polanyi-Levitt and Best use the historical period from initial colonization to emancipation (1600-1838) to illustrate the functioning of a 'Pure Plantation Economy. The Pure Plantation Economy models the foundational economic structure of most Caribbean states. This historical economic structure never substantially altered; it only adjusts according to the global economic order in subsequent periods. Change without transformation.

The General Institutional Framework and the Jamaican Economy

The island of Jamaica was initially colonized by Spain in 1494. However, it was not until the British captured the island in 1655 that its economy developed to resemble a typical ‘Pure Plantation Economy’ as described by Lewis and Polanyi-Levitt. Before its capture, Jamaica operated as a small settlement primarily engaged in subsistence agriculture and livestock rearing for Spanish merchants (V. A. Shepherd 1991). The earnings from the most prominent economic activity, cattle ranching, appear insignificant in this early period compared to the island’s profitability in subsequent years. British colonization transformed the island from a small colonial outpost to a large sugar-producing colony. Therefore, it is the era of British colonization that delineates Jamaica as a hinterland of exploitation and plantation economy, with the Great Britain serving as its Metropole. Sugar production was the island's main economic activity at this time, with sugar estates significantly outnumbering all other agricultural estates and townships.

From 1790-1830 Jamaica enjoyed a period of great prosperity that coincided with a 'boom' in sugar prices and production. In 1805 the island produced more sugar than any other country (Higman 2005, 1). Approximately 80% of sugar produced was exported (Higman 2005, 13). The metropolitan state was active in establishing a planter class on the island by providing land deeds to sugar estate owners. Illicit merchant activity was also valuable in providing the local planter class with the large outlays of capital necessary to begin sugar production[2]. However, as plantation production expanded, estate owners increasingly became absentee and connected to the land-owning class in England[3]. However, as plantation production expanded, estate owners increasingly became absentee and connected to the land-owning class in England. There was a transition from an average of small resident-owned estates (0-99 acres median size in 1670) to large absentee-owned plantations (100-499 acres median size in 1754) within a century[4]. A small class of resident white overseers, managers, and attorneys were eventually left to run the daily operations of local sugar estates. The plantation was, therefore as run as a unit of wealth generation for the British landed classes.

Plantations were social as well as economic units. Plantation agriculture relied on an almost inexhaustive supply of labor power in its initial phase (for clearing the land and

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[2] See Shepherd and Beckles 2000, Chapter 14

[3] For further description see Dunn 1972, 166 “Jamaican genealogists like to suppose that the founders of the island plantocracy were leaders by birth, sons of English gentry and merchants who had status and connections at home. Others contend that they were people of obscure origins, "a fortunate riff-raff" who scrabbled their way to success in Jamaica”

[5] Median taken from table 4 in Sheridan 1965, 300

building of infrastructure) and its continued operations (for planting, harvesting, and extracting the staple). To satisfy this need for rigorous labor, plantation owners turned to the inhumane labor regime of chattel slavery. Chattel slavery relied on the abduction and forced labor of people from the African content. Between 1680-1786, over 2 million slaves were brought into the British West Indies to support plantation production (Williams 1944, 55). This lead to a drastic change in the demographic makeup of colonial Jamaica. The island was a relatively sparsely populated pastoral and buccaneering outpost in 1661 with a population of approx. 3,470 in 1661 (2,956 whites and 5I4 negros)[5]. By as early as the 1670s, the enslaved population began to outnumber its white population (Shepherd and Beckles 2000). In 1713 the enslaved outnumbered the whites by a ratio of approximately 7:1 with 55,000 slaves and 7,000 whites. By 1774 that ratio had increased to 9:1 with 205,261 African slaves and 22,500 whites on the island. There was also a rapid increase in sugar plantations on the island from 57 in 1671 to 246 in 1684 and 648 in 1768 (Dupuy 1983, 244). So not only did the plantation as a unit of production significantly increase the island's population, but it also maintained a master-slave social relation that subordinated the needs of the majority of the island's residents to the profit-making motives of metropolitan residents.

In the Pure Plantation Economy Model, the plantation is the central unit of production in the economy. It produces a single staple crop for export to the Metropolitan market. Each plantation operates simultaneously as an "open" and "closed" unit. It is open because it obtains from external markets large quantities of the tools needed to produce the staple crop and relies on these same markets to sell its output. The tools need for plantation

[5] Calculated from Sheridan 1965, 296 "A report of 1661 refers to 2,458 men, 454 women, 44 children, 5I4 Negroes, and 2,588 planted acres."

production include slave labor from Africa, finance from metropolitan bankers and merchants, intermediate goods and subsistence supplies from European merchants, and managerial talent from the metropole. The plantation is also closed because it produces all other items needed in production not described above. For example, lumber for building materials is obtained from trees planted on the plantation. Water for crop irrigation is acquired from nearby rivers and streams. Biofuel is made from cane trash (bagasse) and fertilizer procured from the estate animals. Jamaican plantations were particularly well endowed with natural resources due to biodiversity in soil and land types on the island, which allowed these plantations to develop internal supply systems based on the agroecology available to them. Plantations also developed intricate internal systems to support estate production. Slave provision grounds, marginal lands allotted to the slaves for the growth of subsistence crops, are one example of this. Artisan houses where 'skilled' slave labor was used to repair tools damaged in the sugar factory or the master's household are also examples. Therefore, plantations functioned locally as self-sufficient units that did not depend on any other economic unit in the local economy. However, the plantation was heavily dependent on the external market relations with the metropole for any production supplies it could not obtain on its own. The result of the open-closed plantation model was to ensure that each plantation's only formal market interaction was with markets in the metropole. Because each sugar estate operated as a self-contained unit locally, it did not need to establish market interactions with other plantations or any other economic agent within the hinterland. The robust market relations were only developed between the plantation and economic agents in the metropole. This open-closed system of production was not only an economic preference of plantations but also a structural necessity. The system of enslavement also required the insularity of the plantation; separation and isolation were essential tactics of labor control and revolt suppression. Slave revolts presented a considerable threat to the entire plantation system, so it was in the interest of the planter class to keep slaves constantly engaged in work and separated into large groups to fend off plans of large-scale rebellion.

In the Pure Plantation Model, the joint-stock company operated alongside the plantation as a unit of the enterprise. Although incorporated through colonial legislatures, this entity, formed by a group of merchants who had pooled capital in the interest of supporting plantation production, generally operated out of the metropole. Joint-stock companies supported the Jamaican sugar industry by supplying slaves and other production inputs such as machinery for the sugar mill and factory. They also supplied luxury consumer goods from the metropole to support the opulent lifestyle of the planter class. Joint-stock companies provided financing for ports, docks, roads, and other plantation infrastructure. In some cases, they extended lines of credit that allowed plantations to adopt more modern production techniques or weather a bad planting season. These companies also, importantly, connected plantation producers to buyers of their output.

It is essential to see the relationship between the plantation and the joint-stock company as one of partnership and subordination. On the one hand, the success of the joint-stock company was integral to the success of the plantation system as a whole. However, the company positioned itself as the principal conductor of the trade between the Pure Plantation Economic and metropolitan markets. The joint-stock company is always in a more favorable position than each plantation. Because it does not directly engage in production, the joint-stock company does not face the significant loss associated with a bad planting season. Moreover, because it acts as both a creditor and a supplier to the planter, it can always extract revenue from the plantation. When output prices are continuously high, the joint-stock company can gain a substantial cut of plantation profits by providing the means through which the output is sold. When output prices are continuously low, the plantation owner becomes increasingly indebted and attempts to mortgage the plantation to the joint-stock company. The company is always able to mark up the prices of imported goods and the profit of their sale to the planter. In the long run, when conditions for production become unfavorable in one plantation economy (due to soil exhaustion, wars, natural disasters), the joint-stock company can quickly recuperate its loss by investing in production in another more prosperous hinterland economy. Throughout the colonial period, the mercantilist trading system facilitated the rise of the English merchant class, owners of joint-stock companies, over the dominant English landlord class, many of whom were plantation owners. This change in in power relations would later become instrumental to the formation of the capitalist mode of production on the English mainland (Hobsbawm 1968).

The operations of joint-stock companies are critical to the pure plantation model; the activities of these companies are financed by merchant capital receive backing from the Metropolitan state. Because mercantilism is an economic system that aims to increase the power of the imperial state through trade, metropolitan merchants stand most to benefit. As a merchant enterprise, the joint-stock company can capitalize from trade created by the plantation system. The plantation economy becomes profitable, and the old system of mercantilism expands, the owners of metropolitan merchant capital become more prosperous and powerful. In the latter half of the historical period, this class determines how the surplus from plantation production is reinvested, thus shaping the change that will occur in the plantation economy.

The period of 1600-1838 is particularly relevant to Pure Plantation Economy because it is from this period that the model derives its general institutional framework. The framework outlines how mercantilism as a merchant trading system operated to secure overseas markets for metropolitan produce while restricting the market operations of hinterland economies. The institutional framework outlines the rigid 'rules of relation' between the typical 'pure plantation economy' and the metropole. The rules govern and constrict the economic activities of the plantation economy; however, some such as 'imperial preference' do provide some benefit to the Plantation Economy. The general institutional framework is based on a set of historical laws and trade regulations that do well in describing the economic relations between Jamaica and Britain between the 17th and early 19th centuries. The framework's 'rules' are outlined as follows:

1. Inter-Caetera[6]:- This establishes the "exclusive sphere[s] of influence of the metropole" which limits the interactions of the hinterland with other economies according to the Metropole's colonial empire (Best and Polanyi-Levitt 2009, 47). According to this rule Jamaica falls within Britain's colonial 'sphere of influence' and its economic interaction with non-British colonies is severely constrained. Its economic interaction with non-British colonies is severely constrained. England's navigation laws and diplomatic arrangements restricted Jamaica's economic relations with Spanish, French, and other non-British territories. These laws and relations restricted interactions between British colonies in favor of cementing

[6] Inter-Caetera is the name of a papal bull issued by Pope Alexander VI on the 4 May 1493 which separated the 'new world' into two spheres of influence

strong trade ties between an individual colony (Jamaica, for example) and the English mainland

2. Muscovado Bias:– This rule relegates hinterland production to "primary production and crude processing or the assembly and distribution of imported goods" (Best and Polanyi-Levitt 2009, 47). Muscovado refers to the unrefined sugar extracted from the sugar cane crop produced in the West Indies. Muscovado Bias ensures that most "value-added" to finished goods made from Jamaican sugar occurs in the metropole. This rule implies that the colony is producing primary goods or raw materials for export. However, most sugar plantations housed distilleries and 'factories' that were used to process sugar. Only rudimentary refining of sugar was done as a necessary part of extracting raw sugar from the cane crop. Higman indicates that as much as 80% of the rum produced on the island was consumed locally (Higman 1995). However, since the rum exports did not appear to grow to be anywhere as important to the island as sugar exports, the Muscovado Bias rule appears largely applicable to the case of Jamaica.
3. Metropolitan Exchange Standard:- This refers to the metropolitan-dominated monetary system that operated in each hinterland. This rule ensures the dominance of the Metropolitan currency in the hinterland economy and the dominance of metropolitan banks, merchants, and other financial intermediaries as the principal sources of capital and liquidity for the economy. "The effect is to eliminate all exchange risk and to ensure that hinterland assets are fully realizable in terms of metropolitan goods and services" (Best and Polanyi-Levitt 2009, 48). While cotton, sugar, and other commodities were regularly used for exchange on the island, Jamaica also obtained regular supplies of British currency for circulation on the

island. Credit for Jamaica's plantation economy was also chiefly supplied by British banks and merchants.

4. Navigation Laws:- This rule governs the transport of goods and services to and from the hinterland economy. It dictates that all foreign trade must occur exclusively through metropolitan approved ports by metropolitan merchants on metropolitan ships. This rule is relevant in describing the regulations that officially governed the transfer of the Jamaican export crops to the European markets and importation plantation provisions. However, these regulations were not consistently enforced. This allowed for some trade to develop between the Jamaican colony and non-British interlopers (V. A. Shepherd 1998).
5. Imperial Preference:- When hinterland goods are exchanged on metropolitan markets, they are given 'preferential treatment. This rule accounts for a large set of trade arrangements and regulations designed to decrease production risk in the hinterland economy and secure a favorable price for the staple crop on metropolitan markets. In the case of sugar and coffee production in Jamaica, a combination of import tariffs and duties favorable to local plantation production were at times lobbied for by the planter class (plantation owners and merchants) in Britain to ensure the favorable disposal of their goods on European markets.

The General Institutional Framework developed by the plantation economists helps to provide a sweeping overview of institutional conditions that underlaid the operations of the Jamaican economy from the late 17th century to the early 1800s. Despite the framework's attempt to cover a broad set of economic arrangements between the hinterland and metropolitan economies over a long period, its rules accurately describe the set of conditions within which the Jamaica economy was allowed to operate. By outlining this framework, the Plantation Model attempts to illustrate the legacy of dependency on which the Pure Plantation Economy is founded. The 'rules of the game' clearly favor developing a robust Metropolitan economy and a Hinterland that operates at its disposal. In cases where the Plantation economy seems to benefit, it is through the creation of 'dependency' or reliance on the Metropolitan market by preferential trade law and at the expense of creating deeper market links with anyone but the Metropolitan itself. This arrangement severely limits the development of a domestic market or any internal dynamic in the hinterland economy. The economy functions as an extended arm in a more extensive colonial economic system, essentially an 'overseas economy.' The metropolitan economic agents that control this economy are shortsighted in their view and extract as much profit from the hinterland as possible. They have no interest in developing the hinterland as an independent, self-reliant economy. Pure Plantation Model, therefore, depicts the early Jamaican economy as an appendage of a larger British colonial enterprise that it looks to for capital, revenue, trade, and most if not all production decisions. Mercantilism, of course, facilitates this as a legally imposed economic structure that promotes the growth of British exports and the minimization of its imports. Plantation theory clarifies that the problem faced by the plantation economy is related to the mercantilist framework imposed upon it rather than difficulties arising from the need to modernize or adopt industrial production techniques. From its beginning, the plantation economy is a part of the worldwide economic order and is shaped by the most developed entities in that order. The Pure Plantation Economy illustrates that the central issue for this type of economy is its dependent position in the world economic system. This dependency oriented all productive units in the plantation economy towards creating wealth for a dominant external economy, a metropole.

Divergences from the Pure Plantation Model

The Pure Plantation Model consists of a single sector that produces one 'staple' product for export. This economy is divided into individual plantations which produce the export staple. Production in other sectors of the economy is restricted so as not to compete with the resources needed to produce the export staple (Best and Polanyi-Levitt 2009). Therefore, the earnings produced by the Pure Plantation Economy are the aggregate of the income earned from all planters from the sale of the staple on each plantation. This one-sector model generally applies to most sugar-producing islands in the British Empire during the colonial era. However, Jamaica is unique because although sugar was the main export crop produced, other export 'staples' such as coffee, cotton, and tobacco were also produced through plantation agriculture. The island also developed a vibrant internal market system through the livestock trade. Both formations, at first glance, appear to run counter to the assumptions made by the plantation economists.

Th Coffee Industry

After 1790, coffee became Jamaica's most profitable export crop outside of sugar, due largely to the decline of coffee production in the neighboring hinterland, Saint Domingue. By 1810 the island became the world leader, rapidly ramping up coffee production from an average of 1,585 tons between 1790 and 1795 to producing over 15,178 tones during the peak production year 1815 (Monteith 2013, 1-2). Favorable coffee prices during the late 1700s facilitated the expansion of the industry, especially during the period immediately following the revolution in Haiti. Higher rates of duty imposed on East Indian and foreign-produced coffee entering Britain also encouraged Jamaican producers. The prominence of Jamaica's coffee industry appears to be a direct contradiction to Pure Plantation's one-sector model. It can be argued that the presence of this industry allowed the Jamaican economy to successfully diversify away from mono-crop production in ways that an actual pure plantation economy would not be able to. However, it is helpful to investigate if this diversity was useful in disrupting the hold of the mercantilist structure on the plantation economy.

According to Higman, coffee production in Jamaica thrived primarily due to its ability not to draw too many productive resources away from its most profitable crop, sugar (Higman 2005, 5-6). Sugar estates greatly outnumbered coffee-producing plantations in Jamaica (527 sugar estates compared to 202 coffee estates in 1832) (Higman 1995). Coffee plantations were situated in the mountainous areas of the island. The land in this area was not fit for sugar production. Hilly land was more available in Jamaica than in other sugar-producing islands due to Jamaica's unique topographical makeup. Coffee estates had a smaller average acreage than sugar estates and had fewer slaves. Sugar plantations typically had 150-200 slaves, while coffee plantations had an average of between 0-50 slaves (Higman 1995). Coffee production, therefore, occurred on a comparatively much smaller scale than sugar production and did not significantly disrupt the flow of resources towards the sugar industry. The primary market for British West Indian coffee was located in Hamburg, Germany. Coffee from the West Indian colonies was bought by English merchants and re-exported from Britain to the European continent. High customs duties were levied on coffee imported for home consumption in Britain to protect the local tea trade (Monteith 2013). The coffee industry's connection to the re-export market in Brittan was a rare formation that did not infringe upon the rules of the mercantilist framework. Coffee was still a primary product transported to Brittan in metropolitan ships and whose sale on external markets was arranged by metropolitan merchants. Metropolitan citizens owned coffee estates and utilized the same inhumane slave labor practices as neighboring sugar plantations. Coffee producers also used the same metropolitan channels, such as joint-stock companies, to finance their trade and production activities. The open-closed plantation format described by Best and Levitt can also be applied to coffee plantations. The coffee industry was, therefore, motivated by the same metropolitan interest as the sugar industry. It functioned to serve European markets and facilitated the extraction of profit from the plantation economy to the metropole. The industry did not retain the wealth it created on the island, nor did it aid the development of local market infrastructure. Despite the coffee industry's inability to interfere significantly with the mercantile structure or disturb the social and economic structures established by sugar production, the industry's success on the island was limited.

After 1800 coffee prices began to fall. Many factors prevented these prices from returning to their peak in the late 18th century of over £9 per hundredweight. Following the Hattian revolution, producers in other British territories begun to ramp up coffee production. Additionally, producers in 'hinterlands' associated with other European metropoles (Brazil, for example) also increased their coffee shipments to the European continent. In many cases, opposing hinterlands could produce at more completive rates due to possessing more fertile land or having more lucrative trade ties with other European metropoles. By 1805 the East Indian coffee trade also began to grow; the increase in supply had already begun to make up for the market shortage created when Haitian plantations halted production. Jamaican coffee producers, however, continued to produce large amounts of coffee during this early period of 1805. This continued high production rate was due partly to the natural lag that occurs when reacting to prices for agricultural goods. Jamaican coffee planters planted large amounts of coffee when prices were high, expecting that those same market conditions would exist when it became time to harvest. However, as harvest time drew near, output prices began to fall due to an already high supply of coffee on the international market. By the time Jamaican planters were ready to sell the large quantity of produce they had initially planted, there is an oversupply of coffee on the market, and the price of coffee continues to fall.

By the end of 1805, many Jamaican planters were burdened with unsold inventory. In addition to this, issues with soil erosion in the Blue Mountains began to affect the quality of Jamaican coffee. Best and Levitt note that soil exhaustion and the overuse of natural resources is a natural feature of plantation production. It must be noted that the preeminence of sugar production implied that Jamaican coffee plantations were much more limited in their ability to expand than Jamaican sugar plantations. However, the Napoleonic wars with France (1803-1815, with interruptions) dealt the most significant blow to coffee production in Jamaica. The Berlin Decree (1806) effectively halted European trade with England. Despite efforts to lobby British Metropole for more favorable trade concessions, coffee plantation owners found themselves increasingly indebted to the merchant class. Many attempted to sell or mortgage out their plantations; others abandoned them. With the war, declining output prices, the increasing cost of production, and the emergence of more competitive producers elsewhere, the Jamaican coffee industry could not recover. Even the resumption of normal trade relations between England and continental Europe by 1815 failed to reverse the industry's decline. Monteith notes that "in 1831, coffee from the foreign plantations accounted for 61 percent of total re-exports from Britain, while that from the British West Indian plantations accounted for only 10 percent" (Monteith 2013). After 1830 Britain had shifted to demanding coffee from East Indian producers instead of West Indian ones. A change in the preferential trade rates afforded to East Indian coffee reflected this.

The decline of the Jamaican coffee industry in many ways mirrors the eventual decline of Jamaican sugar. The coffee industry was able to advantage of unique local conditions, which allowed the mercantilist framework to facilitate its success. However, the decline of coffee production in Jamaica was caused by an oversupply of the metropolitan market, the exhaustion of natural resources, and the success of rival hinterlands. The plantation economists argue these three causes of decline are characteristics of export production within a plantation economy. Because the export production in the plantation economy model is oriented towards extraction and the exploitation of local labor, land, and other resources for metropolitan agents, industry decline stemming from the three factors listed above is inevitable. Since the prominence of coffee plantations did not fundamentally disrupt the dependent relationship formed between the Jamaica plantation economy and the British metropole, wealth created from trade and production in the hinterland resided with metropolitan agents. Merchant traders in Britain were ultimately the ones to benefit from this mercantilist framework. While plantation owners in Jamaica faced ruin, merchants and joint-stock companies flexibly shifted productive resources into more profitable trading activity. The rapid rise and decline seen with coffee production would be repeated with other export staples in the plantation economy.

The Cattle Industry

Verene Shepherd views the cattle industry as Jamaica's first 'domestic industry'. Spanish settlers began cattle ranching during their period of colonization during the early 17th Century (V. A. Shepherd 1991). The industry continued to profitably operate well into the period British rule. The growth of cattle ranching coincided with the growth of the sugar industry. This correlation is evidence of a codependent relationship between cattle ranching and sugar production in the 18th century. The use of estate lands for pasture or cattle-rearing would be uneconomical for most sugar planters. However, plantations had a considerable need for livestock for draught purposes. Mules and oxen were needed to transport crops to and from the field and transport refit sugar to ports. Livestock also provided manure for crop fertigation and helped to operate the sugar mill. Estate owners' demand for livestock helped domestic cattle ranching grow to become "arguably the most lucrative of the non-sugar economic activities in rural Jamaica, perhaps until the advent of coffee later in the eighteenth century" (V. A. Shepherd 1991). According to Shepherd, local cattle ranchers regularly supplied their livestock to plantations for draft purposes (primarily for operating animal sugar mills). Cattle ranchers also bought from sugar plantations old animals to be used as hides or sold for food consumption on the island. This interaction between cattle ranchers and sugar plantations points to the rare development of domestic market relations in a Pure Plantation economy. Unlike coffee production, cattle ranching was geared toward the domestic market and appeared to promote the development of local trade. The success of cattle ranching directly contradicts Best and Levitt's claim that domestic market development is limited in a Pure Plantation economy. For plantation economists, the development of local trade decreases the level of dependency between the plantation economy and the metropole and is, therefore, a threat to the broader mercantilist framework. It is helpful to investigate the success of Jamaica's cattle industry to see its implications for the mercantilist system.

Although it initially began as an export-oriented trade by the 1740s, most of the livestock trade was oriented towards domestic sugar producers (Shepherd and Beckles 2000). Livestock pens were a unique formation of the Jamaican plantation system; they traded a wide variety of goods in addition to their primary product, livestock, such as milk, eggs, fresh meat, hides, bricks, timber, and shingles. Some even grew food provisions such as corn, plantains, pimento, and coffee on their estates. They were also very involved in lending out slave labor to plantations during harvest season. Some pens even exported non-livestock-related produce through British merchants[7]. However, the primary revenue earing activity of Jamaican pens was selling livestock.

As the industry expanded, the diversity of Jamaica's geographical landscape once again allowed it not to compete with the sugar industry for scarce land resources. Cattle ranches would locate land not suitable for cane or coffee cultivation. The expansion of the sugar industry would push livestock pens onto marginal lands in the island's interior. These lands, unsuitable for cane cultivation, were also not ideal for pasture and increased the cost of production for pen keepers; however, they were lands available for pasture. The limited land space available to cattle ranchers did impede the development of the industry. The number of cattle supplied by local pens could never meet the demand for livestock on sugar plantations. Livestock on the island was often reared at a higher cost and fetched a higher price than livestock bought from external suppliers, due partly to the marginal condition of local pasture. Jamaican plantation owners, therefore, relied on trade with Spanish America for a large proportion of their livestock needs. Spanish cattle were bought at one-third to half the price of local breeds [8]. Spanish cattle were bought at one-third to half the price of local breeds (V. A. Shepherd 1998).

The reliance on sugar planters also limited the success of livestock pens. Since sugar estates were the primary buyer of their output, pens were indirectly dependent on the

[7] See Shepherd and Beckles 2000, Chapter 19

[8] See *British Free Port Act of 1766* which allowed for the trade of some foreign goods, which did not complete with British products, between the British West Indies and neighboring non-British territories.

success of sugar in metropolitan markets. Shepherd notes that this uncertainty "caused many livestock farmers to diversify their economic activities to cushion the effects of a low demand" when sugar underperformed on the international market. However, the wide variety of economic activities on pens may have contributed to the high cost needed to maintain them. Plantations also had a preference for interacting with external merchants over local pen keepers. Pen keepers also could not extend the same credit services Spanish or British merchants could. Livestock pen's need for upfront cash payment was a significant limitation for developing their trade with plantations. Pen keepers also lacked the political power need to secure favorable market arrangements for their industry. Efforts to protect the interest of the domestic cattle ranching industry through the imposition of higher duties on Spanish livestock were dismissed in the Jamaican colonial legislature, which was controlled by planter interest.

It is important to note that the livestock industry's symbiotic relationship with estates that produced the export staple and the industry's ability not to draw essential resources away from sugar production enabled its local success. However, both these factors imposed severe limitations on the ability of the livestock pens to expand and disrupt the mercantile ties between hinterland and metropole. Therefore, local cattle ranching was not a rare disturbance to the mercantilism framework but rather is an example of how the development of local industry is impaired by mercantilism. This view is further reinforced by observing that livestock pens operated in the same open-closed format as plantations. Pen owners relied on provisions produced on their estates or imported products obtained from the metropole for subsistence. Aside from their market interactions with export-oriented plantations, pens had minimal market connections with other local producers. Although most pen owners were residents, they did not view Jamaica's dependency on sugar plantations and, more broadly, on external markets as unfavorable. Their short-term interest allied with the mercantilist system, as they were not particularly interested in expanding the domestic market system or supporting the island's self-sufficiency as a whole. These if their interest were aligned with these two factors, then the cattle ranching industry could have been more disruptive to the mercantilist system and could have ultimately aided the development of the local economy and the island as a whole.

In conclusion, coffee is simply another staple, following the same metropole/hinterland pattern of dependency on external markets. It does not compete with sugar for land and slaves; it does not interfere with the production of the leading export staple. Therefore, although coffee production diverges the model's specifications, it does not contradict the Pure Plantation model. The Livestock industry was almost accidental, a holdover from the Spanish colonization. When British colonization began to shape the design of the island, it became an essential adjunct to sugar production. Because of this, although it was an internally oriented industry, it did not lead to the development of a domestic market that could have threatened the plantation system.

Decline of the Pure Plantation Economy

The European colonial empires created a world economy founded on mercantilism. The Plantation economists define the functional division between imperial power and colony as that between metropole and hinterland. The Pure Plantation economy falls into the category of hinterland and is therefore automatically unable to develop an economy that mirrors the metropole. Hinterland economies were created to be subservient to the needs of the metropole. These economies are not pre-industrial societies, but rather, they are societies created as a precursor for industrial development in an external economy. The plantation economy is a distinct hinterland that serves as a productive outpost for the metropole. It arguably plays a more integral part in another country's industrialization than other hinterlands (Williams 1944, Inikori 2002). Mercantilism restrains this economy from creating any internal market systems; it functions only based on the demands of external market forces. The plantation economy's labor, land, capital, and other resources serve as a means of accumulation for economic agents in the metropole.

The plantation economy goes through three phases arising from changes in the market for its staple product: establishment, 'Golden Age' and decline (Best 1968). The period of establishment occurs when planters first develop the land for staple production. In Jamaica, this began in the latter half of the 17th century a when sugar cane was introduced. The late seventeenth and early eighteenth centuries saw the rapid growth of sugar plantations. This growth caused a large increase in population, as well as a substantial shift in the racial composition of the island since African slaves, imported to labor on the sugar estates, made up a large majority of the population increase. The establishment period is followed by the Plantation economy's 'Golden Age.' During this period, staple production is rising to meet high metropolitan demand, and market prices are favorable for new plantation owners. The output and prices are nearing their peak, and profits are rising. Jamaica's Golden Age period was brief. From 1780 to 1803, the island recorded its highest amount of sugar produced and was the leading sugar exporter in the world (Higman 2005). Shortly after this period, however, sugar prices began to decline. The phase of decline is also referred to in Plantation Theory as the period of 'Gall and Wormwood'[9]. "Profitability of the staple crop (during the Golden Age) leads to oversupply on the metropolitan market and prices drop as new

[9] Gall and Wormwood is a biblical idiom see Jeremiah 3:19 "Remembering mine affliction and my misery, the wormwood and the gall".

plantations are established in other hinterlands" (Best and Polanyi-Levitt 2009, 108). The lands in the newer hinterlands are more fertile, and the newer plantations use superior production techniques. Planters in these colonies produce at a lower cost than those in the old pure plantation hinterland and can supply more output of higher quality. In Jamaica, the decline in plantation sugar production coincided with the rise of Cuban sugar. Cuban plantations outpaced Jamaica in raw produced tons and did so with lower costs of production. Competition in the international market also arose from other West Indian colonies and different types of sugar (such as beet sugar produced in Europe). An increase in the cost of production on sugar estates after 1807 occurred due to soil exhaustion and, most importantly, to the abolition of the slave trade. As the plantation economists show, with the abolition of the slave trade, planters could no longer obtain an almost unlimited supply of labor. Slave mortality rates needed to decrease to sustain staple production, so planters were forced to spend more on slave maintenance post abolition.

Abolition eventually led to emancipation in 1838, by which time the West Indian Planter class no longer held the same political or economic importance in English society they once had. Beginning in the last quarter of the 18th century, the "mercantilist" policy of the previous century, is dismantled (Ragatz 1963). At this time in the British mainland, the conditions of production have begun to change. Merchants, manufacturers, and landlords have begun to equally engage in a system of surplus-value production through the creation of industrial capital (Marx, et al. 1990). To initially engage in this system of surplus-value creation, cheaper raw materials must be acquired for mass production, and trade must expand beyond colonial boundaries. So, in the British metropole, the repeal of the Corn Laws and the elimination of preferential treatment in the colonies marks the being of the regime of free trade. The merchants, the primary agents, and beneficiaries of "classical" mercantilism do not suffer from the introduction of free trade. However, the landlords (in England) and plantation owners (in the colonies) initially do.

The transition to free trade and the expansion of the system of surplus-value production marks the beginning of industrial capitalism in England. Whereas 'classical' mercantilism not only depends directly on state power (its primary aim is to sustain and increase state power), it also relies on non-economic and directly coercive forces like slavery to support itself. It thereby creates distinct social groups of merchants and plantation owners in the colonies who accumulate wealth differently (Barbon 1690). The capitalist mode of production proper functions solely through economic forces, the function of the state is to ensure the administration of justice (and national defense). However, the state does use non-economic forces of coercion and violence to keep the capitalist mode of production in place (Barbon 1690). Nonetheless, this mode of production creates only one social group or class responsible for wealth accumulation, the capitalist. In the transition to this mode of production, the merchant and the plantation owner essential become the same productive and enterprising force: the capitalist. The plantation economists do not describe this process in great detail; however, as we will see in later chapters, they acknowledge the coalescing of merchant activity and plantation production into new capitalist enterprises in the later periods. For the plantation economists, the abolition of slavery concludes the usefulness of the Pure Plantation Model and marks the end of 'classical' or old mercantilism.

Just as previously described in the decline of the coffee industry, resource depletion, oversupply, and competition from other hinterlands were the main factors for the decline of the sugar industry. Resource depletion in large-scale plantation production refers to natural resource depletion and the over-exhaustion of slave labor. The plantation system was based on an inhumane system of overwork and exploitation, which inevitably led to daily acts of sabotage as well as more significant acts of resistance. Given that slaves made up the majority of the island population, widespread slave revolts presented one of the greatest threats to the plantation economic structure. The administrative and security costs incurred to prevent revolts increased as the plantation structure expanded. Christmas rebellion of 1831 in Jamaica made plantation owners reflect on the long-term sustainability of their enterprise.

The decline of the Jamaican sugar industry coincided with a broader political and economic shift away from plantation production in the metropole. As the merchant class in British metropole grew, they advocated for the opening up of newer markets for metropolitan goods. This class used their political power to dismantle the exclusivist arrangements and preferential market treatment that sugar producers in the British West Indies previously enjoyed. The merchant class also shifted their capital and financing resources to newer and more profitable hinterlands. Herein lies the issue with dependency on the metropole for the plantation economy. Because the plantation economy was created to generate wealth for metropolitan agents, it lacks the capacity to generate wealth for its own purposes. Therefore, when metropolitan agents no longer find the economy useful and switch their productive resources to other hinterlands, the plantation economy is left overexploited and incapable of developing independently. During the decline of the pure plantation economy, the class of merchants who profited most from the mercantilist system were eager to expand their overseas trade links and reinvest their capital elsewhere. They moved away from 'unproductive' colonial production in the West Indies and began to develop trade ties with the East. As Higman describes, "British capital's quest for cheaper supplies of primary products from the East….leads to the dismantling of the mercantilist framework in the West"(Higman 2005). The "dismantling of the mercantilist framework"

Higman refers to is the removal of preferential trade tariffs on West Indian sugar. This cemented the end of Jamaica's historical period of plantation sugar production and saw many plantations left heavily indebted. Plantation owners, however, did not suffer long as they were able to receive stimulus payments from the British government as compensation for emancipating their slaves (Williams 1944). However, what was left of the pure plantation economy? The economy now estimated 349,500 new freed slaves in search of employment and reasonable living standards (Cumper, Population Movements in Jamaica, 1830-1950 1956, 275). The economy had developed institutions and economic structures conducive to export production but had little to not market infrastructure to support production for the domestic market. With the societal legacies of colonialism still in place, behavioral and consumption patterns of wealthy individuals in the hinterland still attempted to mirror those from the metropole. Furthermore, the plantation economy did not possess the capital or productive resources necessary to transform the economy away from the legacy of the mercantilist system.

The plantation economists' description of the pure plantation economy is drastically different from Walt Rostow's description of the pre-industrial or traditional society (W. W. Rostow 1990). *Rostow's traditional economy* is a rural economy defined by subsistence agriculture and the limited establishment of capitalist markets. To characterize the Jamaican economy before 1838 as a traditional economy, as Rostow describes, obscures the fact that economic activity in the plantation society, though rural and agricultural, was organized as a precursor to industrial development in another country. Therefore, not only does Rostow's account of industrial development misrepresent the starting position of the plantation economies, but it also underestimates the level of primitive accumulation required to support industrial development. This claim is echoed not only by the other

Caribbean thinkers (Williams 1944)but also by other heterodox economists. Although plantations were remarkably different in organizational structure than the private industrial firm upon which the profit-making economic development is based, Fogel notes that plantations "'were the largest privately owned enterprises of the age their owners among the richest of all men'' (Higman 2000, 223) Moreover, although plantations were not as compelled to innovate and adopt more efficient cost-saving technologies as capitalist firms, they did use some of the most advanced technology of their age. Higman also describes how modern management techniques used by large firms have historical roots in the plantation system (Higman 2005, 8-10).

In response to Rotow's inaccurate reading of the pre-industrial societies, Alexander Gerschenkron points out that industrial capitalism developed differently according to cultural and institutional conditions in specific European nations during the 19th century (Gerschenkron 1962). Gerschenkron also notes that the conditions under which industrialization can occur change and become more difficult for every newly industrializing country. As production techniques become more advanced and the scale of production units expands, developing countries are required to mobilize more resources to keep up with developed economies. Gerschenkron's analysis of industrial development becomes more relevant as this paper explores how economic enterprises expand and develop over time. However, it is still limited in its applicability to the Jamaican economy because, just like Rostow, it does not account for Jamaica's periphery position in the global economic system. Gerschenkron is still thinking in terms of a pre-industrial economy, which is accurate for Europe.

Chapter 3- Plantation Economy Modified: Post Emancipation (1838-1962)

The decline of plantation agriculture did not lead to the destruction of the plantation system. For Best and Polanyi-Levitt, the Pure Plantation Economy adjusted to the new conditions created by a changing global economy. This adjustment did not fundamentally alter the economic structures, behavioral patterns, and market relations formed in the previous period. A new economy termed the Plantation Economy Modified was created after the emancipation of the slave population and the emergence of wage labor. Although the loss of preferential market access for staple crops dismantled the overt mercantilist framework of the previous system, the legacy of Mercantilism persisted, and the Plantation Economy Modified still functioned as an export propelled economy dependent upon the colonial metropole. However, the modified economy is marked by the emergence of a new sector, the residentiary sector, composed of a new type of agricultural producer, the peasant farmer. The residentiary sector is in constant competition with the sector that still produces the new export staple. This is because the growth of the peasantry or residentiary sector has the potential to disrupt the legacy of the old mercantilist framework. The Plantation Economy Modified is a two-sector economic model that uses the tension between the 'residentiary sector' and the 'agricultural export sector' to frame economic relations during the period between emancipation and independence. Not much is written about this Model; however, the emergence of the residentiary sector is vital for the plantation economists' ideas concerning transformational structural change.

Adjustment of Staple Production

In the years directly following 1838, the Jamaican sugar industry struggled with Emancipation, the move towards 'free trade' in Britain, and competition from beet sugar and other cane sugar producers in the Caribbean. George Cumper points out that in the years immediately following Emancipation, "there was removal of a large part of the former estate labour force from the estates and their establishment elsewhere as subsistence cultivators." He estimates that approximately 70,000 or half the population of ex-slaves had moved off their former estates by 1847(Cumper 1954, 49). Some ex-slaves were able to acquire land through purchase or leasing arrangements; however, the vast majority acquired it by squatting on abandoned estates or unclaimed land. This option of fleeing the plantation was not available to former slaves in smaller colonies without the same land area as Jamaica. Plantation theory posits that the option to settle on lands away from the plantation on larger islands created a premium on labor services from the ex-enslaved (Best 1968, 294-9). This premium prevented planters from retaining labor on sugar plantations without raising wages. Labor costs on Jamaican estates (during the period 1842-7)accounted for one-half to two-thirds of the total operations (Cumper 1954, 47). Planters attempted to make up for high labor costs by overcharging for housing and use of estate tools. Evidence of planters' dissatisfaction with the labor shortage post-emancipation can also be seen in their efforts to bring indentured laborers mainly from East India and China to work on plantations. Jamaican plantations also faced the issue of being unable to find capital to update machinery or improve production techniques in ways that would reduce operational costs. As the price of sugar continued to decline and unfavorable market conditions persisted, traditional plantations found themselves increasingly indebted. As indebtedness grew on Jamaican estates, merchant enterprises became more reluctant to extend lines of credit, forcing planters to mortgage out their estates to merchant capitalists or abandon them altogether.

After 1825 the system of preferential tariffs that allowed British West Indian sugar special access to the English market was dismantled. At first, Mauritian and East Indian sugar were allowed to enter England at lower rates; then, by 1854, a standard duty rate was applied to all sugar of the same quality imported into Britain. Jamaican sugar still enjoyed some advantages since higher tariff rates were levied on more refined sugar. However, after 1874 this preferential status was lost, and all sugar was admitted free of duty to Britain. A new market for West Indian sugar opened up in America, which was seeking to expand its sugar refining industry. However, this market was viewed as unstable and was not a reliable long-term solution for most planters. European beet sugar production also expanded dramatically in the latter half of the nineteenth century, from producing one-third of global output in 1870 to producing fifty percent ten years later (Lobdell 1972). The competition from beet sugar and the creation of a new trade regime in Britain dealt the final blow to the old system of sugar production in Jamaica. Favorable market conditions led to the rise of Jamaican sugar, such as the decline of sugar production in Haiti, good land quality in a new territory, the ability to establish new sugar estates quickly, and a system of preferential Metropolitan market arrangements. However, these same conditions led to eventual downfall of sugar production in Jamaica and its rise of in rival hinterlands. It is important to note that this rise and fall of sugar was facilitated by a class of merchants who profited greatly from the Mercantile trade and eventually became interested in expanding their operations in ways that no longer benefited the planter class in the West Indies. As noted in Chapter 2, the merchant class could easily survive the end of “classic” mercantilism however the old plantation owners (and English landlords) had a more difficult time adjusting.

For Jamaican estates interested in remaining in sugar production after 1850, their only option became to consolidate. Consolidation allowed for more efficient use of resources. Crop cultivation could be concentrated on the most productive lands. Marketing and administrative costs could be spread over a more significant amount of output. Moreover, credit facilities were more forthcoming for larger estates, allowing them to innovate and adopt newer technologies and production techniques. Estate owners who maintained good standing with creditors and merchants were well poised to take advantage of consolidation by acquiring insolvent estates. Even better poised were the same British merchant enterprises such as joint-stock companies who had earlier supplied the traditional plantation enterprise with imports from the Metropole and provided access to Metropolitan buyers. These enterprises possessed the investment capital, financing networks, and marketing ability necessary to engage in the more modern form of plantation production and later integrate it into the new global value chain. Non-resident-owned merchant companies would soon dominate the Jamaica sugar industry and transform the traditional family-owned sugar plantations into a much larger vertically integrated sugar estate. However, before the sugar industry could complete its commercial transformation, a new export staple, banana, would rise to take sugar's place.

The slow, painful decline of the Jamaican sugar industry caused plantation owners to look for new export crops. Exports of rum, pimento, and citrus expanded in the last half of the 19th century. However, it was the banana that became the economy's new export staple. Banana production rose from 19.1% of total exports in 1890 to 57.3% in 1930 (Bernal, 2020). The rise of the banana industry facilitated the influence of a new metropole on the plantation economy. Key to the success of Jamaican banana production was the development of strong trade ties with American industry. American companies owned large banana estates on the island, and the United States soon became one of the largest buyers of

Jamaican produce. Small local-owned banana farms would also sell their products to larger companies through Jamaica Banana Producers Association. Jamaica became the world's largest exporter of bananas in the 1930s. The success of banana production was facilitated by the colonial government and the establishment of a mercantilist relationship with the United States. However, American mercantilism expressed itself in a relatively less overt form than British mercantilism. It was implemented in part by the rise of a new type of metropolitan enterprise and indicated a change in industrial relations in the plantation hinterland and the broader global economy.

Adjustment of Joint-Stock Company and the Metropolitan Plantation Enterprise

The end of the 19th century and the beginning of the 20th saw the growth of a new type of productive enterprise in the Jamaican economy. George Beckford and Cherita Girvan describe the Metropolitan Plantation Enterprise as an enterprise engaged in processing or marketing plantation products to expand, control, or capture the market for their output (Beckford and Girvan, 1970). What makes these organizations different from traditional plantations is the scale of their operations, their vertical and lateral integration patterns, their market power and influence, and their emphasis on further expansion and consolidation. Therefore, their growth is linked to the growth of merchant capital and the advantageous position that the joint-stock company and other merchant-founded enterprises (described in the Pure Plantation Economy) found themselves following the decline of staple production. Even in the United States, which was both a plantation society and a newly formed metropole[10], Plantation Enterprises such as the United Fruit

[10] Best refers to the United Sates as a hinterland of settlement (Best and Polanyi-Levitt 2009, 6), this type of hinterland has the best possibility of adjusting to become a metropole (Best 1968, 293). However Best later refers to the southern parts of the United States as 'Plantation America' (Best and Polanyi-Levitt 2009, 11)

Company[11] can trace their roots to wealth gained from trade-related activities. As Beckford and Girvan illustrate, these organizations become involved in plantation production to secure control over raw materials to regulate input prices or because of restrictions on the further expansion of processed output (Beckford and Girvan, 1970). Metropolitan Plantation enterprises (MPE) have extensive expertise in marketing and use innovative branding techniques to secure demand for their products. Once engaged in plantation agriculture they benefit from:

- external economies of scale which enable them to build social infrastructure (ports, roads, etc.) at low cost
- inter-industry economies as they are already engaged in shipping, wharfing, etc. and begin to produce production machinery
- skill economies as employee's skills are engaged in more activities
- and economies of diversification as they expand into non-plantation-related areas (Beckford and Girvan 1970, 437-9).

Producing on a large scale is advantageous for these enterprises. Vertical integration allows them to operate at lower production costs than smaller companies, and they can capture more of the product market and influence prices. Technological advances in the industry in the Metropole have increased the degree of product differentiation in markets. To Beckford and Girvan, this development highlights the importance of market share for companies. MPE's are driven to dominate the market to facilitate their accumulation and prevent another company from controlling it (1970). MPE's conduct a mercantilist pattern of trade by ensuring that their outpost on the plantation economy sources their most production

[11] The United Fruit Company was formed by Captain Lorenzo Dow Baker a sailor who owned a private fleet of steamships and Minor C. Keith whose company was involved in railway construction and banana exportation.

materials through them. Inter-industry connections and economies of scale allow this to be a lower cost proposition than sourcing inputs through local producers. The outpost of the MPE in the plantation economy provides their product to the MPE, which then markets and ships to metropolitan buyers. Therefore, MPE's and their outpost operate in a style similar to the plantation and the joint-stock company. It is a relationship of partnership and subordination.

Banana Production

Some of the first MPE's to engage in plantation cultivation in Jamaica were American banana companies. The American-based Boston Fruit Company began operations in Jamaica in the 189Os; it later merged with Keith's Tropical Trading and Transport Company to become the United Fruit Company. The United Fruit Company (UFC) came to control over 80% of the US banana market and 77% of the world market by 1910, through a combination of mergers and acquisitions (Beckford and Girvan, 1970).

Such control over the global banana industry implies that in addition to controlling large banana estates, the company could also exert control over smaller banana producers. Banana production in Jamaica developed at first through small farmers to medium-sized farmers who coordinated the sale of their product on the export market. When the Jamaica Banana Producers Association, a co-operative that facilitated the sale of bananas produced on peasant farms, arranged for their output to be sold to UFC, they were allowed access to the global banana market. However, the Associations' attempts to operate its shipping line or marketing organization were viewed by UFC as direct competition, and their market access was threatened.[12] When Jamaican banana interests grew concerned with their dependency on the US market and UFC and attempted to form ties with buyers in the UK, UFC gained controlling shares of the largest British banana producer and soon dominated supply in the British marketplace. The operations of American Banana MPE's operations reflect the growth of capital in the 19th and 20th centuries. Merchants and merchant enterprises from the previous century were at the forefront of expanding capitalist production in this period by creating value chains and enlarging its influence in the market. This imposed a new dependency relation between the modified plantation economy and the Metropolitan Enterprise. From the previous model, the old mercantilist system relied overtly on colonial laws and regulations to uphold a system that relegated primary export production to the hinterland to serve the interest of the old Metropole explicitly. Recall that the primary aim of the old mercantilist system was to expand state power. The primary aim of the new capitalist system is to generate profit. However, the legacy of the old mercantilist system still relegates Modified Plantation Economy to primary export production and channels trade to the market of the new. The non-economic motives of state desires are not as apparent in capitalist production (although they are just as present, US government policy and foreign relations still play a massive role in facilitating the accumulation and expansion of UFC). Instead, the private economic interest of the metropolitan company is more visible however the mercantilist trade system remains the foundation upon which the global economy is built. Therefore, the plantation economy remains in the same dependent position it was prior to the establishment of capitalist production.

[12] A report from the Jamaica Banana Producers Association in 1935 observes: "Instances can be recalled without number to prove that whenever profits of the United Fruit Company might be improved by action (or inaction) no hesitation has been shown by those managing its affairs in doing this even if it resulted in grave hardship to the growers of banana in Jamaica." (Bernal 2020)

Like the joint-stock company and the traditional plantation in the Pure Plantation model, Beckford and Girvan MPE's have no interest in the success of the plantation economy outside of their short-term interest. They function only to extract maximum value from the plantation economy. The MPEs locate value-added production in the Metropole and keeps the lion's share of profits from the product's sale. An inherently unequal relationship is maintained between the headquarters of metropolitan plantation enterprise in the metropole and its production outpost in the plantation economy. The production outpost relies on the head office for the market access capital, technology managerial expertise other production inputs in return for the disposal of their output on metropolitan markets. In the same way Modified Plantation Economy depends on a metropolitan state for access to markets in return for disposal of its manufactured output.

Just like Best and Levitt's joint-stock companies, Beckford and Girvan's MPE can also quickly switch productive resources away from the hinterland where production problems arise to hinterlands where conditions are more favorable. This is ultimately what happened when disease and natural disasters leveled the Jamaican banana industry in the 1940s and production declined. Banana estates were sold, and industrial production declined. Again resource depletion, overproduction, and the rise of a more competitive hinterland are factors in the staple industry's decline. The decline of banana production and a post-war bump in global demand for sugar facilitated the resurgence of the Jamaican sugar industry. Banana estates were converted to sugar production. Much of the previous banana land came under the control of Sugar Metropolitan Plantation Enterprises, and old trade ties with Britain were reestablished. However, the operations of the Jamaican industry in the decade immediately following the rise of banana production and before its fall in the 1940s indicate how enduring the Mercantilism trade system was in the world economy. It shows that when production relations change and new trade ties with other nations are established, mercantilism was still used as basis for capital accumulation in metropolitan nations.

Sugar Production

During the first half of the twentieth century, Jamaican agricultural estates began to consolidate. This coincided with a significant increase in the average output of sugar per estate, from 127 tons in 1896 to 3,160 tons by 1937, to 11,650 tons in 1951 (Cumper 1954, 77). This was caused by two important trends already observed in the banana industry—a shift in production relations and corporate ownership.

Sugar estates were either sold or consolidated into the hands of a few private owners in the late nineteenth century. At this time an essential distinction between cane cultivation and sugar production developed. Sugar production (referring to the extraction of sugar from the cane crop) became more mechanized and more dependent on scale as it developed in the first half of the twentieth century . "In the period 1910-50 this led to the practice of buying cane from independent [small and peasant] cane farmers for grinding in the estate factory" (Cumper 1954, 77). Peasant farmers and small producers were able to benefit from this arrangement. For it meant they no longer had to take on the expense of building a factory to extract and refine their sugar, nor did they have the expense of attempting to market or sell their product on the international market. However, this relationship also made peasant framers reliant on bigger estates for the sale of their crops.

After the first world war, sugar lands remained in the hands of a small local elite who had roots in the old planter class. The United Fruit Company was the only foreign-owned company that operated sugar estates on the island in 1928[13]. However, by 1938 the British conglomerate Tate and Lyle acquired 25 farms and built the island's most prominent sugar

[13] At this time UFC operated three sugar estates. (Feuer 1984).

factory. This marked a new age of factory farming where sugar MPEs amassed a large amount of land, increasing average estate size to over 8000 acres and quadrupling plantation output (Feuer 1984). Due to their size, these enterprises could produce at a lower cost than local competitors and introduce more modern machinery (such as vacuum pans and centrifugal machines), plant newer cane varieties, and use more chemical fertilizers. These estates were more modern and mechanized than the traditional sugar estate before them, and they were part of larger vertically integrated companies. The UK-based MPEs could secure subsidies, grants, and price concessions for Jamaican producers who supplied to the British market. However, just like the traditional sugar plantations before them, favorable market conditions for more modern sugar producers did not necessarily translate to favorable conditions for residents of the plantation economy. Sugar factory workers in Jamaica grew increasingly incensed by the low wages they were paid, while estate owners (both foreign and local) continued to enrich themselves. The same racial stratification patterns that existed on sugar plantations pre-emancipation persisted on estates run by large companies. The sugar MPE's did not create significant forward and backward linkages within the domestic economy, preferring (like the old sugar plantations) to import supplies from the Metropole. Critical decision-making often occurred in the Metropole, where the top management resided. This is similar to how decisions were made in absentee plantations in Jamaica. Feuer noted that even when Jamaicans acquired middle management positions, they were often excluded from decision-making. Consumption patterns of local managers and high-earning laborers favored goods from the Metropole over locally produced goods. This, of course, mirrors the consumption preferences of the old plantation managers and attorneys. Credit linkages were maintained with metropole-based banks and financers at the expense of reinvestment in the local economy. Earnings were leaked out of the domestic economy through intercompany transfers and hoarding in metropolitan banks.

By Beckford and Girvan's description, "once metropolitan corporate enterprise gets involved in plantation production, they set the stage for a subsequent cumulative growth of these enterprises without any significant corresponding development of the (Jamaican) plantation economy" (Beckford and Girvan, 1970). This description of how MPE's operate is similar to how Best and Polanyi-Levitt describe the operations of the traditional plantations and joint-stock companies. All three entities are interested in the exploitation of the plantation economy for their short-term enrichment. Long-term development of the social infrastructure needed for more stable and inclusive economic growth is neglected in favor of short-sighted temporary economic gains, which accrue mainly to agents in the Metropole. There is no fundamental change to this structure post-emancipation. The Jamaica economy remained oriented to support capital accumulation abroad and structurally dependent on foreign markets for income generation.

Adjustment of the Residentiary Sector

Emancipation signals the fall of the old plantation regime and freedom for the entire population to pursue their destiny. The birth of a new population group, the peasanty, is established when newly freed slaves acquire plots of land and set up small villages on the outskirts of plantations. The peasanty forms the backbone of the developing local economy, post-emancipation. A healthy peasanty is portrayed by plantation theorists as fundamental to the thriving of the domestic economy. Conditions that restrict or limit peasant production constrict the growth of local markets. For plantation economists, it is through the success of the peasantry that the plantation economy has a chance to disrupt the old patterns of dependency and mercantilism that limit its development.

Emancipation freed ex-slaves from the exclusive grip of plantation agriculture. The Jamaican peasantry was created by the settlement activity of the ex-slaves on abandoned plantation grounds and previously unoccupied lands. The ex-slaves used this marginal land to become peasant farmers who produced a wide variety of cash crops for subsistence and sale. Significant participation in peasant agriculture, however, did not mean that labor was unavailable to the plantation. Many peasant farmers would supplement their earning by providing part-time services on estates. However, in the years immediately following Emancipation, as sugar estates folded and the population on the island increased, more and more agricultural labor was drawn into peasant production.[14]

The establishment of the peasantry was critical to the formation of the residentiary sector in the Modified Plantation Model. The residentiary sector in a modified plantation economy is mainly comprised of peasant farmers who produce subsistence and cash crops. However, it also consists of small farmers who supply local markets and cultivate minor crops for export (bananas, coffee) and part-time farmers who also cultivate crops for their use and domestic sale. Best and Levitt appear to include an urban "town class" comprised of local merchants, craftsmen, and artisans who settle in towns and capital cities in the residentiary sector, although their "endowments of skills and crafts are limited by their previous specialization in plantation work" (Best and Polanyi-Levitt 2009, 23). This sector is distinct from the plantation sector because its production is geared toward the domestic market. The residentiary sector produces according to local demand and produces a wider variety of goods than the plantation sector. Decision-making in the sector is more localized

[14] "1844 gave the population of the island as 377,000. By 1861, this had increased to 441,000 and by 1871, in spite of the cholera epidemic, to 508,000" (Cumper 1954:53)

(at least initially) because locals own more businesses that produce within the sector. It has a lower import bill than the plantation sector because it creates more linkages (backward and forward) with local producers. However, the residentiary sector still relies on the plantation to create foreign exchange revenue that facilitates trade on the domestic markets. Its growth is also limited by the demand preferences of the local population, which still prefer goods produced in the metropole (especially local elites) and by its inability to produce some of the inputs required for domestic production. However, the sector greatest limitation is that it "is born in circumstances that restrict its capacity for innovation and self-assertion and stunt its growth" (Best and Polanyi-Levitt 2009, 23). Nonetheless, for the plantation economists the residentiary sector holds greatest capacity to expand domestic output and develop local market infrastructure. It is therefore key to transforming the plantation economy away from export production and metropole dependence.

The plantation economists' description of the residentiary sector cannot be universally applied to Jamaica. It is true that after Emancipation the vast majority of agricultural laborers gained access to land on which to produce food for subsistence purposes. This population could exchange food provisions among themselves; however, this did not necessarily imply the development of internal *capitalist*[15] markets in the way that Best and Levitt describe. For one, peasant farmers had minimal need for cash for exchange purposes (limited mainly to the purchase of clothing) since they were more prone to barter exchange or creating their own means of subsistence. There was also little sale for small farm produce in internal and external markets since transportation within the island was limited by the state of the road system (Cumper 1954). Peasant farmers, therefore, conducted

[15] Although neither Best nor Lloyd use the word capitalist in describing markets, they assume that transformational internal markets would use wage labor to promote domestic accumulation and local enterprise growth. Therefore, the internal markets they describe are essentially capitalist markets.

exchange informally much in the same way that slaves used to conduct the exchange of produce made on provisions grounds between themselves on the plantation prior to Emancipation.[16]The presence of this type of internal market system does not necessarily imply the development of capitalistic markets.

It is true that the plantation sector institutionally limited the operations of the Jamaican peasantry in ways that could have inhibited the development of capitalistic markets. For example, the deterioration of the internal road system in the island was related to plantation agriculture because the decline in estate production meant that roads that were built to facilitate the shipment of goods to external markets were no longer maintained. The closed way in which each plantation operated on the island also prevented the development of an internal road system that could connect local buyers and sellers. The development of local transportation systems is an insufficient but necessary precursor to creating an integrated national market that could lead to the development of local capitalist markets. Peasant farmers were also restricted to operate on "undersized" landholdings (fewer than 5 acres) on soils that were infertile compared to the soil on estates because the most productive and fertile soils were reserved for plantation production (Beckford, 1972). This is despite the fact that in numbers, the peasant farms made up the majority of farms in Jamaica (71%); however, they only occupied a small percentage of total agricultural landholdings (12%). Average acreage on peasant farms continued to decrease as new generations came of age, and the land was divided between family members. Due to the small size and poor soil quality, it was almost impossible for many peasant farmers to produce for profit. Additionally, the accumulation of capital and technological knowledge was oriented towards the export-producing sector. Beckford outlined how the banking

[16] See Chapter 12 (Shepherd and Beckles 2000)

system in the Caribbean suffers from a resource bias that prevents it from lending sufficient capital resources to peasant producers who are resource-poor and lack formal documentation and legitimacy of more prominent plantation producers. Furthermore, as the plantation system transformed from traditional plantations to MPEs in the latter half of the nineteenth century, local plantations could also rely on retained earnings or other financing from parent companies. On the other hand, the peasantry was left to rely on household savings and informal loans from friends and family members for finance. This, of course, limits peasant farmers' ability to adopt new machinery, better irrigation systems, artificial fertilizers, and other productive technologies. George Beckford also notes that "both the plantations and governments in the region have invested significantly in research related to export crop production whereas little or no technical knowledge exists regarding peasant-grown commodities" (Beckford, 1972).

All these factors combined to leave the peasantry with high production costs, low crop yields, inferior production technology, and an inability to supply the island's domestic capitalist market. Peasant producers themselves are left in a relationship of dependency with the newly imposed system of wage labor, due to their inability to fully sustain their livelihoods on their small land holdings. As structural factors compound to prevent new generations of peasant farmers from generating profit through the sale of their product, the peasantry is further prevented from generating their own means of subsistence This leads more peasant farmers and their dependents to offer up their labor services to plantation production. In the new system of wage labor, a surplus population of wage laborers is always needed by the plantation enterprise to keep the wage rate low. Contrasted this against the previous system of slave labor, which did not depend on a wage rate and therefore only needed a set amount of laborers at a time. In the new system of wage labor, a higher level of unemployment and the inability to find a sustainable livelihood outside of the plantation sector is beneficial to the owners of the new metropolitan plantation enterprises. The plantation economist's description of the problem is correct in that with plantation work increasing unavailable in proportion to the number of works willing to offer labor services, the situation creates a reserve army of unemployed agricultural labor. The supply of labor services and high unemployment rates allowed plantation wages to be kept at poverty levels. This the change in how sugar and banana production took place is what created lead to the intractable unemployment which would come to characterize the Jamaica's rural landscape.

The experience of the Jamaican peasantry demonstrates the resiliency of the producing export sector and its commitment to the mercantilist legacy. The peasant sector could only exist if it did not directly compete with the staple export for land, labor, or capital resources. Because the peasantry arose out of a need to escape the plantation, it is understandable to see how the plantation economist deemed it the most significant threat to the plantation structure. However, it is disputable whether the success of the peasantry would necessarily imply the successful formation of a domestic capitalist market.

The peasantry was successful in providing for the food needs of a growing local population. It supported a vibrant town class, and a growing urban middle class would later aspire to own local businesses. Following emancipation, it was driven by non-economic motives that did not imply a desire to produce for capitalist profit. As Karl Polanyi points out, the need for markets that produce profit is a phenomenon of the modern age (2001). Other non-economic motives drove market activity in pre-capitalist societies. The markets created by the Jamaican peasantry are more closely linked with relations of kinship, community, and subsistence which were formed and developed during slavery. Verne Shepard described how slaves traded their produce from provision grounds at Sunday Markets during the era of colonization (2000, 355-63) . These markets served as centers for exchange and spaces for community engagement and the strengthening of kinship relations. The markets created by the peasantry immediately following slavery also served a non-economic purpose and, in some cases, still do. Therefore, there is no guarantee that the development of the peasantry would have led to the development of a type of domestic capitalist market infrastructure that Best and Levitt see as fundamental to the transformation of the plantation economy. However, it did so in ways related to non-market production, which did not imply a desire to produce for capitalist profit. Therefore, there is no guarantee that the peasantry's development would have led to the development of a type of domestic capitalist market infrastructure that Best and Levitt see as fundamental to the transformation of the plantation economy. Despite this, the limitations faced by the peasantry eliminated the possibility of it in any way supporting the establishment of a robust, locally focused, and controlled capitalist market system.

Arthur Lewis and Industrial Development

The Caribbean economist Arthur Lewis had a different approach to development from the Plantation theorist. At the time of his writings in 1950, Lewis was responding to the assessment by the British authorities that producers in the British West Indies should stick to specialized agricultural production and not attempt to develop their manufacturing or industrial production (Bernal 1988). Lewis pushed back against this view which explicitly outlined the role of West Indian colonies as providing agricultural support for the growing industrial British metropolis. Therefore, to Lewis, and other anti-imperialist thinkers at the time, transformation for the Jamaican economy and other economies with 'unlimited supplies of labor' lied with the development of a 'capitalist sector' and the rapid industrialization of the economy (Lewis 1951). In Lewis's seminal paper "Economic Development with Unlimited Supplies of Labor" he distinguishes between two sectors in an ‘undeveloped or backward’ economy, the capitalist sector, and the subsistence sector. The capitalist sector “uses reproducible capital and pays the capitalist for use thereof” while the subsistence sector consists of peasant farmers, merchants, traders, landlords, and other use non-reproducible capital (1954, 186).The capitalist sector is the only sector capable of producing economic growth in this model due to its ability to accumulate capital and produce profits which it later invests back into the economy to produce a larger quantity of goods and more profit for further reinvestment and expansion. The subsistence sector by contrast does not have this same reproductive ability, it is often limited by inefficient production and the use of unnecessary labor due to its lack of motivation to accumulate capital for reinvestment and expansion. According to Lewis’s theory, Jamaica’s main obstacle to growth is the underdevelopment of its capitalist sector (1951;1958; 2003). In countries where profits, reproducible capital, and enterprising ability are scarce the capitalist sector will not develop. Underdeveloped Countries however with an open economy can be helped to develop through the export of capitalist production and investment by developed. Lewis, therefore, recommends encouraging investment from foreign capitalists as a method for achieving the development of the domestic economy. He advocated for the establishment of an Industrial Development Corporation (IDC) to ‘assist investors in establishing production and offer incentives to foreign capital (Bernal, Figueroa and Witter 1984, 17).

The label of ‘subsistence’ applied to the most prominent sectors of the Jamaican economy prior to the late 1950s does not fit with the Plantation Economy description of how these sectors operated. Lewis’s classification of all agricultural production in the occurring colonies at this time as unproductive and non-capitalist, in the plantation theorist view, ignores the fact that capital accumulation and reinvestment were occurring through these sectors. However, this accumulation and reinvestment were done in order to benefit (mainly) the British and American metropole. Particularly by the 1940s when estate lands had consolidated and were already in the hands of Metropolitan based companies, agricultural production in these estates benefited from mechanical advancements adopted by the parent company and were part of a larger global value chain that sought to expand and increase profits for shareholders. Lewis's inability to recognize how production in certain economies is relegated to low-skilled, primary productive activity in order to facilitate capitalist accumulation and growth in other economies is what allows him to arrive at a simple subsistence versus capitalist classification of an underdeveloped economy. It is also clear that Lewis's model takes the internal limitations of Jamaica's economy, its lack of domestic capital, a high proportion of low skilled labor, and lack of entrepreneurship ability as exogenous factors. Plantation theory's analyst of the peasanty however points out how the improvement of these factors are explicitly limited by the activity of the 'export staple producing sector' (for example efforts by the planters to restrict the skill development of ex-slaves). These factors are endogenous in their model, recreated by the legacy of the plantation and re-imposition of the mercantilist trading system. The subsistence or agricultural sector in Lewis's model is in reality not 'backward', closed or devoid of capitalist accumulation patterns. According to that plantation model, this sector has an innovative tendency, it interacts constantly with global market forces and does facilitate capitalist accumulation. However, the sector is limited by the legacy of a global trading system of which it has been a part for the last 200 years. Plantation theory allows for a more realistic and detailed picture of the global economy and how systems that facilitate unequal development are able to endure despite a change in relations between the hinterland and Metropolitan agents. As C.Y. Thomas notes:

> "the relationship of the metropolitan to the hinterland economy has been historically a very flexible one reflecting the domestic conditions and needs of the metropolitan area. The pattern of specialization shifted from time to time and this occurred wherever the

> existing system threatened the benefits which were directed to the metropolis. When economically it suited Britain, for example, when she was industrializing rapidly (the free-trade era), colonial preferences were abandoned and the colonial economy suffered" (Thomas 1968, 341).

This analysis is important in recognizing how Mercantilism works through modern enterprises. Lewis in his writings against the British government and in favor of the establishment of a state-run industrialization commission clearly recognizes that a system that promotes development in the main colonial economy while limiting development in its satellite states exist. However, his prognosis seems is indicate that this system is mainly imposed by the 'Metropolitan state' and not by productive enterprises themselves. One of the main strengths of plantation theory is its ability to show how mercantilism is a structural and institutional system embedded into the social, political, and economic fabric of society. It can be upheld by successive governments, production enterprises, and financial institutions. It manifests through behavioral patterns and market preferences and shapes how production is organized and supported in the global economy.

Chapter 4- Plantation Economy Further Modified: Post Independence (1963-1990)

The age of independence in the British West Indies marks another period of adjustment for the plantation economy. During this period, the Plantation Economy becomes further modified by the introduction of a new dynamic sector. The dynamic new sector contains extractive industries that use a more industrial form of production. The traditional export sector and the residential sectors still exist in the further modified economy. However, the new dynamic sector emerges from the post-independence push for national industrialization and economic growth and the discovery of new natural resources in the region (for example, oil reserves in Trinidad, and, bauxite in Jamaica and Guyana). The new natural resource quickly becomes the export staple, and the plantation economy maintains a relationship of dependency between itself and external markets. The transnational company becomes the leading economic enterprise in the further modified model. This enterprise is based in a metropole and operates in the plantation economy through a subsidiary. The legacy of mercantilism manifests itself through the structure of transnational companies and the position of the plantation economy in relation to them. Governments and international financial institutions also enforce it by imposing trade policies upon the national economy, which implicitly favor metropolitan countries. Therefore, the Plantation Economy Further Modified remains an externally propelled economy that functions to extract wealth and exploit local resources to benefit external economic agents. The economy still faces challenges with unemployment, foreign exchange leakage, and low capital formation. The economy does not have the infrastructure to develop robust national market systems. Attempts to industrialize and develop local manufacturing industries that mirror those in more developed countries fail due to the legacy of the plantation and a more extensive mercantilist system.

The New Dynamic Sector and Bauxite Production

After independence (1962), Jamaica, for the first time, embarked on a path of national development. The country sought to escape specialized agricultural production by diversifying exports and engaging in more industrialized production. The post-war push for industrial development established the bauxite and alumina processing industry in Jamaica. Successive governments, eager to grow industries associated with modern manufacturing and move production away from agriculture, saw bauxite as an opportunity to diversify export output and increase employment.

Foreign capital was critical to the industry's development from the outset. Foreign-owned companies were encouraged to begin operations on the island through business-friendly incentives such as generous leasing arrangements, low restrictions on trade and the movement of goods, and favorable tax regimes. Jamaica was, in essence, pursuing the strategies of industrialization by invitation and import substitution associated with W.A Lewis (Lewis 1951). By the 1960s, five multinational companies had acquired lands for bauxite mining in the rural regions of the island. They began to build port and refining facilities for converting the bauxite into alumina, and shipping it for export. Kaiser Bauxite Company, Reynolds Jamaica Mines Ltd, Alcan Jamaica Limited, Alumina Partners of Jamaica (Alpart), and ALCO Jamaica were all subsidiaries of North American-based companies that also had mining operations in other countries. Their parent companies, headquartered in the US and Canada, were responsible for the sale and marketing of the bauxite produced in

Jamaica. Through their parent company, mining subsidiaries in Jamaica could access the financing, capital, technology, and most other inputs needed for production. The subsidiaries, in turn, would provide the larger transnational company with raw materials needed for their expansive operations. This relationship between bauxite transnationals and their subsidiaries is similar to the relationship between Beckford and Girvan's Metropolitan Plantation Enterprises and their outpost in the plantation economy. Parallels can also be drawn with the relationship of partnership and subordination between the plantation and the joint-stock company.

By 1957 Jamaica became the world leader in bauxite production, which would continue until the early 1970s. The post-war expansion of the US military and its need for aluminum (the high-value metal obtained from processing alumina) drove demand for bauxite and alumina (the chemical compound extracted from bauxite) (Sprage 2019). Aluminum was also an essential input for industrial production; it made products involved in transport, construction, and domestic consumption. As N. Girvan and C. Girvan point out, bauxite extraction, production, and refinement created:

> "vertically-integrated firms in the metropolitan countries especially [industrializing ones like] the United States. [For these companies] the scale of operations and the complexity of extraction and process technology grew, and with it, the quantity of capital committed to production. Mineral exploitation became the basis of an elaborate chain of activities which included exploration and prospecting, extraction, refining, manufacture, fabrication, and marketing, linked together by specialized transport facilities." (Girvan and Girvan 1971, 388).

The elaborate vertically integrated processes of extraction, refining, manufacturing, and marketing occurring in several different counties at once comprise a global value chain. As Girvan has pointed out, bauxite transnationals constructed their operations to facilitate development and industrial production in metropoles. Transnational bauxite companies used their subsidiaries in the plantation economy to extract the mineral and conduct primary processing. The aluminum processing plants in more developed countries then conducted the more elaborate and value-added production. The final destination of the processed aluminum was metropolitan industry.

In the Plantation Economy, Further Modified growth of capital-intensive and import-reliant industries (like bauxite) does not benefit most of the population. These industries, particularly those related to mineral extraction, employ only a small proportion of local labor and are very capital intensive. Due to their link with transnational companies, they also cannot create robust local linkages. The new dynamic sector in each plantation economy produces an export staple related to one of these capital-intensive industries. Just as with the other plantation models, economic growth in the Plantation Economy Further Modified is centered around the production of the export staple. Government infrastructure supports the production of the new staple, and the new dynamic sector generates a large amount of foreign exchange revenue. However, the benefits of this sector that accrue to the domestic economy and local population are minimal. For plantation economists, the sector with these characteristics:

- it was comprised primarily of low skilled workers
- in the rare cases that higher wages were able to be retained by those working within the sector, it was often at the expense of lower-skilled labor being pushed out.
- any high wage work generated by the sector put upward pressure on high skilled jobs in the public sector and some parts of the residentiary sector
- the relative scarcity of low skilled jobs in the sector in comparison to the rest of the economy increased unemployment and put downward pressure on wages

Further expansion of production in the metropolitan economy and the proliferation of capitalist mode of production worldwide facilitates the creation of the new dynamic sector in the hinterland. The type of consumer products that this sector helps to produce are conducive to large-scale manufacturing. Notice here that the plantation hinterland has transitioned away from direct consumer goods (sugar and bananas) to more processed consumer goods (more refined sugar in the second model) to essential input into the large-scale processing of consumer goods based on the needs of consumers in the metropole. Therefore, the stagnation of local development in the plantation economy is always a function of development in the metropole.

The structure of the new dynamic sector exacerbates inequality within the domestic economy. For plantation economies, inequality is particularly unfavorable due to the tendency of higher-income residents to import more goods than their lower-income counterparts. An increase in spending on 'luxury goods' therefore in no way benefit the domestic economy since the local elite always attempts to adopt the consumption habits of the residents in the Metropole. Significant revenue leakage is also a defining feature of the plantation economy. Significant sources of revenue such as profits, interest payments, and retained earnings are repatriated to metropolitan economies, while the domestic economy can retain only smaller payments through wages, salaries, and taxes. When the operations of this sector are considered, along with the fact that significant sources of residential savings such as pensions and insurance plans are invested in foreign-owned banks or in foreign financial assets, we can see how the further modified plantation economy suffers from a low domestic savings rate. A low domestic savings rate implies low domestic capital formation and insufficient funds to finance local enterprises. Once again, the infrastructure needed to develop a vibrant domestic market is hampered, and businesses producing for the local market are disadvantaged. This is how the new dynamic sector fails to transform the plantation economy or set it on a path to development.

In Jamaica, the initial boom in bauxite production in the 1960s coincided with a rise in unemployment and inequality in the national economy. From 1960-1972 unemployment increased significantly from 13.5% to 23.2% despite a growth in revenues from the bauxite industries (Feuer 1984). Fewer than 1% of the labor force was employed in bauxite production (Tramm 1977). Additionally, approximately 75% of those employed work as manual laborer's (Tramm 1977). The vast majority of labor remained engaged in agricultural production. Although some industries such as construction and distribution saw growth related to the establishment of bauxite-related facilities, this growth was short-lived. Bauxite companies imported the majority of tools and machinery needed for production. The intricate supply links between subsidiaries and parent companies prevented connections between local bauxite subsidiaries and domestic producers from being formed. In some parishes, the expansion of bauxite mining displaced tenant farmers and reduced access to farmland (Salmon 1987). In the short term, this reduced the ability of farmers to produce to local markets and affected the quality of their agricultural produce. In the long-term small farmer displacement in rural parishes removed generations of farmers from the land and away from domestic agricultural production. This situation is especially ironic because bauxite companies used some of the rural lands they acquired for dairy and cattle production for local markets (Tramm 1977, Salmon 1987, 82-83).

The plantation economists' analysis of the new dynamic sector, in addition to the historical reality of bauxite production in Jamaica, shows the limitations of attempts at industrial development in a plantation economy. Instead, if examined more closely, it can be observed that it is the overarching structure of mercantilism and the plantation that limits development in the economy. The operations of transnational bauxite subsidiaries reinforce a pattern of trade that has the plantation economy heavily reliant on the Metropole for capital, credit, inputs, and access to important markets. Their reliance on inter-company transfers and marketing from the parent company in the metropole links back to the unequal relationship between the joint-stock trading company and the plantation. This dependency prohibits the development of domestic market structures that could provide productive services.

Additionally, the type of production done in the new dynamic sector and by the bauxite subsidiary is low wage and low skilled; it is at the bottom of the global supply chain. Girvan's work is beneficial here in pointing out that this occurs by design. The global value chains operate to facilitate industrial development in metropolitan countries. The end products of Jamaican bauxite create value in the industrialized economies of the US and Canada. The result of this is an economy based on extraction and exploitation done to facilitate accumulation in foreign countries. Development cannot be achieved through the dynamic sector because of its control by foreign interests and an orientation towards external markets, reproduces the structures of the old mercantile and plantation system. Therefore, the profitability in the bauxite industry does not improve the material livelihood of most Jamaicans.

The Public Sector and its Role in the Plantation Economy

The plantation theorists overlook the importance of the public sector as a source of domestic enterprise and employment in the Caribbean islands after independence. This omission may be due to the fact that before independence, the colonial government served as an extension of the metropole and its aims. It is only with independence that the Caribbean people came to have a government of their own. At the time of Best seminal paper on the pure plantation economy in 1968, only four former British colonies had gained independence 2-6 years prior.[17] As a result of independence, beginning in the 1960s, the Jamaican government took a more active role in the economy. It became involved in the

[17]The countries that had been granted independence were Jamaica and Trinidad and Tobago in 1962 and Barbados and Guyana in 1966

banking, transport, communications, marketing, and utility industries. It was a significant source of job growth and creation in the local economy. It helped to stimulate private sector job creation. In this period, high rates of immigration caused a continuing 'brain drain' of skilled workers unable to secure jobs in the private sector. However, the public sector created new careers and labor specializations in important fields; it retained a significant number of high skilled workers.

The national government was also crucial in formulating an economic policy and establishing a national strategy for development. After 1962, through democratic governance, the majority of the Jamaican people elect representatives based on desirable policy initiatives. The development path pursued by successive governing administrations since 1962 had favored export-oriented growth; and focused on protecting private ownership of resources and the unrestricted access of foreign capital to national resources. As plantation theory predicted, this path did not lead to sustained economic development. However, in 1972 the Jamaica government took a different policy approach to economic development; one that challenged bauxite transnationals and Jamaica's existing relationship with Metropolitan powers.

In 1972 Michael Manley of the People's National Party (PNP) was elected on a mandate of democratic socialism. Embracing a mixed economy model, the Manley government sought to increase the state's participation in the economy with the view that the private sector had failed to put the country on a path to development. Manley implemented new tax regimes which targeted higher income groups, introduced land lease and credit support programs for small farmers and rolled out extensive literacy and skills training programs for Jamaican workers. The government also established a national minimum wage, implemented food subsidies, and expanded social security benefits for lower-income Jamaicans. These policies helped alleviate the worst effect of poverty and raised the standard of living in the country. The public sector expanded to provide services in health, housing, and education. In so doing, it provided a stable source of employment for Jamaican workers and invested in the social infrastructure necessary for a healthy market economy. The state also directly participated in the economy through several publicly owned companies in the banking, mining, utility provision, and import distribution sectors. By 1979 the Manley government led the state to own a total of 185 public enterprises. In addition, through public-private partnerships, the government-controlled over 75% of sugar output and 48% of the capacity in burgeoning the hotel industry (Bernal 1984). However, the government's control over the bauxite industry became a focal point of the administration's economic policy.

The most profitable economic sector in 1972 was the bauxite and alumina processing sector. Under Michael Manley's administration, the Jamaican government sought to redefine the relationship between the state and bauxite producers. New land leasing arrangements were implemented that transferred mining lands into state control and allowed the government to collect revenue in royalties from foreign owed bauxite companies. In 1974 a levy was introduced on bauxite production per ton which increased government earnings from $27 million in 1973 to $180 million the year after the levy was implemented (Davies 1986). Eventually, the Manley government and the administrations following it would negotiate the purchase of over 51% of shares of all mining subsidiaries on the island (amounting to less than 7 percent of shares in the respective parent companies). The state also established the Jamaica Bauxite Institute to gain technical, managerial, and marketing expertise in the industry and forge trade ties with non-traditional bauxite importers. The government's investment in the bauxite industry did little to reduce Jamaica's dependency on an export staple. Neither did it reduce the county's reliance on the volatile global commodity market for economic growth. In fact, the levy and increased revenue from bauxite production made the government more reliant on foreign exchange revenue to finance its social projects. This reliance placed the Manley administration in a precarious position when bauxite production was compromised.

The levy coincided with the beginning of a decline in bauxite production that continued until the late 80s, and has been blamed for this decline (McCalla, 1977). However, other factors such as a brief global recession that occurred in the early 1970s, strikes by bauxite workers, and most importantly, competition from cheaper producers in other countries could explain the decline in bauxite production. Recalling what the plantation theorist stated about unfavorable market conditions and production in the plantation hinterlands, it is not difficult to see that unfavorable conditions for Jamaican bauxite could cause capital to shift to alternative hinterlands where production conditions are cheaper and more favorable. The bauxite levy may have aided in this process by increasing the cost of production in Jamaica relative to other 'hinterlands' and providing the final incentive for transnationals companies to extract elsewhere.

Another factor that hindered bauxite production in the 1970s was the economy's reliance on imported oil. *Oil* is a significant input needed for modern manufacturing, including even the rudimentary processing and refining of bauxite done in Jamaica. The establishment of a state-owned oil refinery did not decrease Jamaica's vulnerability to the hike in oil prices, which affected the island in 1973. When prices rose unexpectedly at that time, not only did the cost of processing bauxite locally rise, but aluminum refineries and smelters in the USA which used Jamaican bauxite were rendered uncompetitive. The importance of oil in modern industrial production reflects the increasing integration of the global economy during the late 20th century. As transnational capital expanded and global value chains multiplied, became production increasingly more reliant on inputs procured on international markets. Traditional plantations had been able to procure most production inputs from items found on the plantation, such as draught animals, water, wood, manure, and cane trash. By contrast, modern industrial production requires inputs such as coal, aluminum, copper, zinc, and steel, which cannot be procured at the site of production. Engaging in this type of production increases the reliance of the plantation economy on international market forces.

The Jamaican government attempted to revive the bauxite industry by purchasing alumina from refineries for resale to non-traditional trading partners such as Venezuela, Mexico, Trinidad, the Soviet Union, Hungary, and Algeria. Identifying new markets for industry output was vital in slowing the decline of bauxite production by the late 1970s. Negotiations with alternate trading partners also allowed government employees to develop managerial, technical, and research skills, which gave them essential insights into the international industry. This type of state intervention by Manley's government may have helped to keep the industry afloat (CEPAL Economic Commission for Latin America 1979, 24-8). At the time of the levy, the bauxite companies were already operating below capacity due to a decline in market demand. Parent companies were uninterested in upgrading facilities and updating the infrastructure necessary to make production more efficient and maintain output at high levels. The revenue gained from implementing the levy encouraged the Jamaican government to maintain production facilities. The state forged new trades deals and looked for new markets to keep bauxite and alumina production high. Acquiring shares in some facilities allowed them to maintain employment and provided the capital needed to update their production methods.

Nevertheless, this attempt to increase trade relations with other countries brought the Manley government into conflict with US foreign policy. The United States, after World War 2, had risen to become the dominant Metropole in the region (and the world), and saw the Jamaican territory as part of its sphere of influence. US foreign policy at this time operated in the same way as the old British mercantile policy, which prioritized the dominance of Metropolitan economic interest. US counterintelligence operations to undermine the Manley government are evidence of Washington's alliance with its own business interests and against the interest of the Jamaican people (Blum 2003, 263-267). The inherently unequal relationship between international capital and the plantation economy also did not help the Manley administration avoid failure. Girvan draws attention to the advantage that multinational mining companies have over local governments (Girvan and Girvan 1971). Years of experience and control over all levels of the bauxite, alumina, and aluminum trade gives these companies access to trade secrets, technical knowledge, pricing techniques, special access to buyers, and information about industry trends that government-owned corporations in 'peripheral countries' do not and may never have. Therefore, state-owned producers are at a disadvantage when they attempt to enter the market, compete, or even negotiate with the transnational companies. Their size and control over the global value chain allow bauxite transnationals to set prices and control cost in ways that will disadvantage production in the local economy. They also have access to natural reserves and productive resources in multiple countries and can quickly produce elsewhere. Attempts to move up the global value chain are also futile; the state enterprise does not have the capital or labor capacity to operate the extensive mining, production, and processing facilities required to compete with these companies on the international market.

Due to the rise in the oil prices, the recession, worker strikes, the levy, and a hostile political environment, transnational bauxite companies began to reorient production away from Jamaica during Manley's tenure. Exports from Jamaica began to fall, and transnational companies began to reorient resources to other countries such as Australia and Brazil. Foreign capital associated with the export crop once again flowed out of the plantation economy to other hinterlands, and the staple industry faced rapid decline. As we know, this is a familiar pattern. The relationship between the transnational parent company and the local bauxite subsidiary is similar to the relationship between the MPE and their local outpost. It is an inherently unequal relationship because of how dependent the outpost or subsidiary is on the MPE or parent company. The larger company is always beholden to its economic interest in a metropole country or center country and it can quickly switch productive resources away from the plantation economy and establishes alternate subsidiaries or production outposts elsewhere. Because the hinterland economy has devoted all its economic resources to producing the export staple, it is again left without the necessary resources to support the domestic market production.

However, the Manley administration had some success in creating solid structures that supported the growth of the domestic market. For example, Manley created a wide variety of public enterprises that placed Jamaicans at the helm of important sectors. The expansion of access to skills training and higher education opened opportunities for citizens to occupy higher-skilled jobs in the private sector and allowed some to establish locally-oriented enterprises. Some government enterprises such as the National Housing Trust and the National Commercial Bank would pave the way for establishing healthy domestic real estate and banking sectors. In particular, these sectors established linkages with local producers and were crucial for supporting the local market's growth. Manley attempted to support the peasantry. His administration sought to expand their access to credit, improve their access to land and protect the local market for their produce. Although some land redistribution schemes had limited success, local small farmers had greater access to government resources such as agricultural research, and residents were encouraged to buy local produce from farmers. Richard Bernal hypothesized that if "the PNP's democratic socialist policies if they had been fully and effectively implemented, would have significantly changed the pattern of ownership and access and control to the means of production"

(1984, 62). Ultimately this was the goal of the transformation advocated for by the plantation economists. Bernal estimated that the political agenda could have been realized if not for the balance of payments crisis in 1976, which exacerbated interparty tensions and ultimately paved the way for IMF intervention in the economy.

Manley's reliance on the production of the export staple and his government's commitment to export-led growth was a significant limitation. Because of this, Manley was not able to confront the global mercantilist system and reduce the country's reliance on the Metropole and external markets. Michael Manley's political tenure from 1972 to 1980 hints that if the public sector can expand its role in the local economy while decreasing the country's dependence on export production, it could perhaps become a sector that aids in transforming the plantation economy and helps escape the mercantilist structure. Perhaps if Manley had heeded a warning issued by the plantation economists about export-led growth and dependence on foreign transnational companies, the administration would have achieved more sustainable development. The success of some government enterprises, particularly the national commercial bank, proved that the government can efficiently run capitalist enterprises and that products and services created for the domestic market could produce a significant profit. If Manley and his government had focused more on these domestic enterprises and offering the goods and services needed by the Jamaican population and not previously offered to them through private enterprise, then he could have built a more resilient economy.

Neoliberalism and Mercantilism

Due in large part to the decline in earnings from the bauxite industry, a rise in oil prices, and unfavorable political relations with the governing US administration in the

1970s, the government of Michael Manley faced a major foreign exchange crisis at the end of 1976. With nowhere else to turn, the government entered into negotiations with the International Monetary Fund (IMF). The IMF played a huge role in crafting Jamaica's development strategy from the latter half of the 1970s until today. As part of its negotiated loan assistance package, the IMF often mandates implementing a package of economic reforms that minimize the role of government in the economy and 'liberate' markets from government control. These neoliberal economic reforms help reinforce 'dependent capitalism' and strengthen the legacy of mercantilist relations between the plantation hinterland and Metropolitan states (Bernal 1984).

Although the plantation economists briefly mention the role of international treaties and global economic instructions in helping to maintain the mercantilist relation between metropolitan states and the plantation economy, they do not fully explain the intricacy of this relationship. In 1975 the Jamaican government faced a balance of payment issues on a scale never seen before. The continued decline of bauxite prices combined with hike oil prices and a hostile political environment led to a drastic decline in foreign exchange revenues and continued capital flight out of the country. This decline manifested in a chronic trade deficit which became a drain on foreign exchange reserves. The government turned to short-term borrowing to finance its activities. However, this proved insufficient. It finally turned the International Monetary Fund (IMF) for assistance in 1976.

Richard Lobdell regards the IMF (and similar international governing bodies) as an organization seeking to "maintain an environment that facilitates the accumulation of capital on the world scale by requiring complex international mobility of capital and commodities" (Lobdell 1972). His description implies that the institution is not a neutral financing body. By pushing for trade liberalization and the prioritization of private enterprise, the IMF is interested in facilitating private capital accumulation across borders.

Within the current unequal global trading system, this position favors the interests of transnational business enterprises over those of hinterland governments. Bernal relates the position taken by the IMF to its uneasy relationship with transnational commercial banks. Transnational banks supplement the funding provided by the IMF to developing countries. In turn, the IMF secures repayment to the banks for the loans taken by these countries. Transnational banks had a heavy hand in ensuring that the Jamaican government pursued an economic strategy favorable to foreign capital. In 1976 when the Jamaican government appeared reluctant to implement the terms of an IMF program, the transnational banks cut funding to Jamaica, and renegotiated the terms of their outstanding debts. Similarly, in 1979, Michael Manley's anti-imperialist speech at the Non-Aligned Conference in Havana and the promotion of a leftist Dr. D.K. Duncan, to a prominent position within the People's National Party (PNP), was viewed as a threat by these banks; pressure was applied to the ruling party to adjust its foreign policy in the interest of foreign capital. Bernal also notes that after an election that removed Prime Minister Manley from power in 1980, the IMF, in alliance with the banks, granted more friendly terms to the incoming government, which expressed support for implementing those policies advocated by the IMF (Bernal 1984). The use of power by the IMF and transnational banks demonstrates how the interest of foreign capital worked to control and restrict the economic policies pursued by the national government. It ensured that the economy remained oriented towards capital accumulation, ultimately benefiting the transnational bank and Metropole states. Therefore, the dominance of British and American goods in the Jamaican market following 1976 and the prevalence of North American transnational companies with subsidiaries in Jamaica in the coming decade can be in part linked to control that transnational banks, based mainly in America and England, had over the International Monetary Fund. Banking transnationals provide funding for the activities of other transnational companies based in the Metropole, and so have an economic interest in ensuring that a hospitable policy environment is created for foreign capital.

The IMF's policy regime increased Jamaica's trade deficit from USD 213 million in 1980 to $500m in 1981 and a further $600m in 1982 and 1983 (Davies 1986). The deficit was due in part to an increased demand for imports, facilitated by the removal of import controls which the IMF mandated. Huber and Stephen note that demand for imports among high-income groups, in particular, facilitated the rise (Huber and Stephens 1992). This occurrence is, of course, a lasting trait of the plantation system. Import deregulation also removed any advantage small farmers and other local producers had on the domestic market and left them to compete with cheaper imports. IMF policy also did not prevent the decline of Jamaican exports, which continued as bauxite transnationals looked to more profitable hinterlands for production. A new feature of the Jamaican economy post-IMF was a burdensome public debt. The currency devaluation encouraged by the fund exacerbated the debt and the foreign exchange deficit, which required continuous government financing. Growing public debt offers no advantage to the Jamaican economy, but it is advantageous to transnational banks that benefit from continued debt servicing payments from the government. Bernal notes that after 1973, revenue from financing external loan packages linked to lending to developed countries made up the majority of revenue earned by transnational banks (1982). By December 1985, Jamaica had an external debt twice the size of Brazil; it would also continue to have one of the highest debt to GDP ratios in the Latin American region for the rest of the century. More importantly, debt servicing paid to transnational banks took up an increasingly large amount of government revenue (26% of total expenditure in 1982/83 and 42% of total expenditure in 1985/86) (Davies 1986).

This all had a devastating effect on the quality of life of the by Jamaican people. The IMF policies drastically reduced the role of the government in the economy. The policies promoted deregulation and divestment by government enterprises. The standard of living in Jamaica decreased mainly due to public sector wage freezes and a shift to employment in lower-wage sectors. The reduction in public spending and social security benefits disproportionately affected lower-income groups and increased economic inequality. The reduction of the public sector also led to a shift in the quality of employment offered. Public sector work was usually unionized, secure, and well paid, where work in other sectors was less secure, often lower-paid and not unionized. Unemployment continued to grow, with youth unemployment reaching as high as 50.6% in 1980 (Bernal 1984). A freeze on public sector wage increases, the removal of price controls and subsidies on essential food items, and cuts on social spending on hospitals and schools all made life harder for most Jamaican citizens. The regulations imposed by the IMF limited the policy space of each successive governing administration. State technicians abandoned long-term economic planning because they were occupied with implementing the IMF program.

Industrial Development and Export Production

In W.A. Lewis's two-sector economy model, growth in industrial production is synonymous with economic development. In his 1954 article, Lewis does not distinguish between the ability of state-run or privately-run enterprises to pursue this path to development through the capitalist sector. Therefore, according to Lewis, Jamaica's progress in raising living standards in 1972 would not count towards economic development since it failed to industrialize through public and private initiatives. Lewis's perception of development and economic growth is in line with common neo-classical assumptions that see the growth of capital and profit as synonymous with an increase in people's living standards in the country. In the two-sector model, the capitalist sector achieves growth at the expense of holding down wages in that sector and supplying an 'unlimited' amount of labor at that low rate. When wages in the subsistence sector are lower than wages offered in the capitalist sector and production in the subsistence sector is inefficient, the capitalist sector will have unlimited labor supplies available at a low wage. Low-skilled workers who are needlessly employed in the subsistence sector should supply their labor to the capitalist sector at the given wage rate (Lewis 1958). Based on this, as more workers are employed in the relatively higher-paying capitalist sector, the living standard in a nation is increased, and the sector is continually expanded at the expense of the lower-paying subsistence sector :wages are low in the capitalist sector, but not as low as in the subsistence sector. (Lewis 1958).

For the Plantation theorists, underdevelopment is not caused by a lack of growth of the capitalist sector but is a result of the underlying structure of the global economy (Bishop 2013). Best and Levitt see the lack of development in the Caribbean economist as a result of a legacy of a global trade system that was designed to promote development in certain economies at the expense of others. Metropoles and hinterlands were created by imperial policy, which determined how and under what conditions each state interacted with the global economy. Unfortunately for hinterland economies, development is limited according to conditions established by a metropole during colonization. A plantation economy, a specific type of hinterland, hopes for development are futile unless it can transform itself. This transformation must remove the legacy of the mercantile system and the plantation from the hinterland. The development of independent local market systems and a reconstruction of the ownership structure of the economy are important ways of achieving this transformation. A continuation of an export-led economy and persistent reliance on foreign markets will only modify how the plantation economy functions without fundamentally changing its structure in a way that could lead to actual development.

Plantation theorists take issue with export-led growth. Throughout its history, the hinterland has always been subservient to the market demands of the metropolitan economy. Relying on the violate demands of international markets for economic success continues this tradition. This is especially true in a plantation economy, which metropolitan agents have continually exploited to facilitate an external economy's accumulation and economic development. The primary motivation of foreign productive enterprises is exploitation. This motive has not changed from British colonists' establishment of sugar estates to US conglomerates' establishment of alumina factories. It is in the interest of both these enterprises to use the hinterland's institutions, markets, labor, and natural resources to facilitate capital accumulation in their home countries or metropolitan economy. The system of exploitation in this economy is so entrenched that domestic/ residential enterprises cannot thrive while large-scale foreign-controlled export production exists in the economy. Plantation economists recognize the fundamental metropole -hinterland imbalance in the global economy. This imbalance was created and is maintained by the mercantilist system of trade, which enriches the metropole and its economic agents while leaving the plantation economy dependent on external economies unable to develop internally. Therefore, unless the legacy of mercantilism is upended in the plantation economy will not develop.

Alternatively, Lewis encourages export-led growth. He states that "at low levels of economic activity, production for the foreign market is usually the turning point which sets a country on the road of economic growth" (2005, 275). Local demand will not always be sufficient in providing profits to firms who spur on development. Lewis explains that in 'underdeveloped tropical countries', there may be an overemphasis on export production; however, that is a result of low labor productivity in these agrarian societies. Nevertheless, he states that because " development....increase[s] the demand for foreign exchange... Any development programme for a country as a whole must therefore make adequate provision for expanding exports, or for producing substitutes for imports."(Lewis 2005, 282). Lewis does not acknowledge how inequalities in the global trade system may have a role in creating a demand for foreign exchange in developing countries or a low level of labor productivity in agricultural economies. Lewis avoids any critical examination of the history of the global economy. In doing so, he misrepresents the fairness development outcomes. This allows Chapter 4 other conventional economists (like Rostow) to paint a simple picture of the global economy, which ignores the reality of how intertwined development in some countries (metropoles) is with underdevelopment in others (hinterlands).

Chapter 5- Plantation Economy in Neoliberalism (1991-Present)

The plantation theorists were not able to build a fourth model that analyzed recent times. However, their analysis from the previous models can explain some of the persistent patterns observed in the contemporary Jamaican economy. The last model, Plantation Economy Further Modified, focused on mineral resource extraction occurring in the Caribbean in the second half of the twentieth century. The 'neoliberal' age of capitalism and globalization, beginning in the 1980s has witnessed the rise of the service industry in the Caribbean, mainly tourism services, as the new staple. The Jamaican economy has continued to be export-oriented and unable to develop critical internal market infrastructure. It is interesting to investigate how the economy has been modified in this new age while remaining institutionally and structurally unaltered.

The institutional framework of model one, the Pure Plantation Economy, still provides a reasonable basis for illuminating how 'new mercantilism' operates in the modern world.

1. The *Inter-Caetera*, which described the exclusive spheres of metropolitan influence and limited the market interactions of the hinterlands that fell within each sphere, can illustrate how the foreign policy apparatus of United States has constrained the Jamaican economy. Since the 1940s, the US has actively exerted its hegemonic power in the region the region, taking over the role previously held by the British, not only to promote American corporate and busines interests in the island, but also to further US foreign policy. The US does not maintain its influence through exclusive

and explicit colonial policy; however, the US acts as a neo-colonial power in the Caribbean region. Apparatus of US state were also active destabilizing 'hinterland' governments who threated the interest of their business community[18]

2. The *Muscovado Bias* rule, which relegated hinterland to primary production and crude processing at the lower end of the global value chain, does not appear to characterize the product produced by the Jamaican economy's leading export sector. Tourism has taken the place of bauxite as Jamaica's most important 'export' since the 1990s. The sector is the highest earning the economy. Although it is not a traditional export product like that of banana's sugar or bauxite tourist services are "exported" to non-Jamaicans, though they have to come to Jamaica for it. Jamaica specializes in mass tourism that offers low-skilled and low-paid employment similar to the jobs offered under primary agricultural production in the 1940s and under crude bauxite processing in the 1970s.
3. The *Metropolitan Exchange Standard* rule upholds the dominance of the Metropolitan currency and monetary system in hinterland territories. A marked difference from colonial times is the presence of a national currency system in Jamaica. However, this rule influences continued reliance on the US currency for business transactions and the evaluation of hinterland assets. Metropolitan banks and financial intermediaries remain essential sources of capital and liquidity for the modern Jamaican economy.
4. The *Navigation Laws* restrict the transport of goods and services to and from the hinterland economy to metropole-controlled ports, merchants, and ships. The era of free trade and globalization has expanded the power and influence of US-operated shipping, travel, commination, banking, and communication companies. These

[18] See information on Chiquita Corporation and US Foreign Policy (Bernal 2020) and the CIA and US Military operations in South American and the Caribbean since World War II (Blum 2004)

companies have grown to monopolize critical aspects of their respective industries. On the surface dominance that American companies have may look like the result of "market" forces, however, have always been backed by the geopolitical power of the US government. Ultimately metropolitan business interests and power of the metropolitan state combine to control Jamaica's access to the global marketplace in a similar way that to what historical navigation acts intended in colonial territories.

5. With the *Imperial Preference rule,* hinterland goods received preferential treatment on metropolitan markets. Modern trade agreements between the Jamaican and American governments create a favorable environment for the disposal of Jamaican produce, but for the most part, the preferential treatment Jamaican products had on global markets is gone. The only special access that Jamaica products have, specifically in the tourist market, is maintained through hotels' affiliation with transnational companies which can operate unique supply lines.

In the era of global neoliberalism, Jamaica has remained an enclave for foreign capital accumulation and resource exploitation. The mercantilist framework outlined in the first model, the Pure Plantation Economy, remains largely intact. The local population continues to struggle with poverty, unemployment, and lack of access to essential resources. The growth of the domestic market remains limited, and the island is still committed to export-oriented trade as its dominant "development" strategy. The relationship between metropole and hinterland still exists; the plantation economy remains on the periphery of the global capitalist economy. One of the most troubling features of this relationship is that the metropole is still the "locus of decision making." This means that external economic agents, who have no interest in the long-term sustainability of the island, are the ones who make decisions about the distribution of productive resources.

Moreover, as Kari Polanyi Levitt explains:

> "in the new mercantilism, as in the old, the corporation based in the metropole directly exercises the entrepreneurial function and collects a 'venture profit' from its investment. It organizes the collection or extraction of the …… staple required in the metropolis and supplies the hinterland with manufactured goods, whether produced at home or "on-site" in the host country." (Levitt 2002, 24).

As we have seen in the development of the economic enterprise from the traditional plantation and the joint-stock company, to the Metropolitan Plantation Enterprise to the Bauxite transnational, corporations have become the vector for transmitting the legacy of mercantilism. Polanyi Levitt also emphasizes that modern multinational corporations are ultimately aware of their power and unaccountability in certain hinterlands. She quotes one Canadian businessman saying, "The fact that developing nations must tailor their policies to big corporations is all to the good." (Levitt 2002, 37). Therefore, once again metropolitan agents (like present day multinational conglomerates) have virtually no limits on their exploitation of the plantation economy.

All-Inclusive Hotels and Rise of the Tourism Sector

As bauxite production and the export of agricultural staples continue a slow decline, a new export product, tourism, has risen to become the country's highest foreign exchange earner. During its initial establishment, Jamaica's tourism industry comprised relatively small hotels and inns, with a mix of local and foreign ownership. The 1978 launch of Couples Ohio Rios[19] marked the beginning of a new type of hotel structure on the island, the all-inclusive hotel.[20] This type of resort provided visitors with boarding services, meals,

[19] Couples Ohio Rios is credited with launching "the era of the modern all-inclusives" (Holding and Hall, Tourism: The Driver of Change in the Jamaican Economy 2006, 34)

[20] "The Caribbean Tourism Organization (CTO) (1994) defines the 'all-inclusive' (AI) concept as 'resorts or vacations where all or most hotelguest services are included in one prepaid package price." (Holding and Hall, Tourism: The Driver of Change in the Jamaican Economy 2006, 33)

drinks, entertainment, and a wide range of on-site activities and amenities as part of their resort packages. Data has shown that the ability of all-inclusives to create linkages with other local industries is limited compared to other traditional European Plan (EP) hotels that provide only lodging[21]. The design of the all-inclusive resort aims to restrict all tourist activity and spending to the hotel; this restricts the ability of tourists to interact with local businesses and attractions. Since most all-inclusive resorts in Jamaica are foreign-owned, and most tourist expenditure occurs on the resort, the ability of the local economy to retain the foreign exchange generated by the industry is limited. Although the tourism industry uses local electricity and construction services and consumes some local agricultural products, the industry still imports large quantities of products to cater to visitors' foreign tastes and preferences.

In spite of their seemingly opposite character, the all-inclusive resort and the slave plantation exhibit important similarities. The resort replicates the “closed-open” character of the plantation. Both have a closed, self-contained structure which limits revenue-generating activity directly to the property and thereby limiting their relations with the domestic economy. However, both still highly 'open' because they import significant quantities of goods and capital resources to support their activities. They are also open because they depend exclusively on external markets for the sale of their product. All-inclusive resorts also typically operate as part of multinational hotel chains. The relation between resort and multinational chain is similar to that the bauxite subsidiary and its transnational parent company. The multinational chain provides the marketing services, capital, and sometimes special access to the international market through their connections with airlines and cruise companies to the individual all-inclusive resort it operates on the

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[21] For example “the percentage use of local foods seems to be higher among EPs than in all-inclusives, ranging from 70 to 90 percent compared to 40 to 60 percent from all-inclusives” (Holding and Hall 2006, 36)

island. At the same time, the resort makes revenue through the provision of resort services for the multinational hotel corporation. This relationship is unequal; the multinational chain located in the metropole operates several hotels in other hinterlands, and in the metropole itself, and can quickly halt the provision of resources to the hotel in the plantation economy when conditions there are deemed unfavorable.

The labor needed to operate the all-inclusive resort in the plantation hinterland is mainly low-wage and low-skilled. Labor relations within a traditional plantation versus foreign owned all-inclusive resorts are evidently very different. One structure uses slave labor whereas the other uses wage labor, however, there are similarities. Owners or ownership groups overseas make most managerial decisions in foreign owed hotels. Residents occupy lower managerial jobs as compared to higher management jobs occupied by non-residents. This system is similar to how absentee owners and a non-native managerial class made the most important managerial decisions on traditional plantations. Meanwhile, lower 'management; positions like Greathouse labor and artisan work were sometimes afforded to local slaves. There is also a hierarchical distinction between low-skilled managerial work by local laborers and the majority of labor-intensive hotel work conducted by low-paid local staff on the all-inclusive resort. On the plantation, although managerial control and relatively less arduous tasks were afforded to some laborers, most of the labor was devoted to less skilled menial tasks like field labor.

The type of labor done by workers in the hotel industry is service labor. The growth of the hotel industry over the last century reflects the demand for the type of service labor by Metropolitan consumers (mainly tourists from the US and Europe) who demand this type of labor. André Gorz outlines that the process of economic rationalization is occurring in metropolitan countries that creates a demand for a class of “new servants” to perform this type of service work (2012). Industrial production in metropoles has made the production of goods more efficient and allowed 'less work' to be done in a set amount of time than ever before. For Gorz, the class in the Metropole who benefits from this by keeping their jobs in industry and gaining higher purchasing power can afford "new commodity services" provided by industries such as tourism (Gorz 2012, 75). However, the type of work created within the new commodity service sector is menial and demeaning labor. It is born out of a desire to "unload your chores on to someone else" is only done by "people who are fit only to do what you find boring or repugnant" (Gorz 2012, 74). The majority of work conducted by hotel staff, cleaning, cooking, washing, gardening, etcetera, fall into this category. Gorz's explanation of the origin of service industry workers in the contemporary age allows us to connect the growth of the Jamaican tourist sector to the growth of the industry in the Metropole. Even in the neoliberal era, the main product which the plantation economy produces is a product created from the advancement of industrial production in a metropole. Although tourism offers a locally provided service, it is still an export product. It is a product designed to cater to an external consumer. The tourist product offed by resorts is a version of Jamaica and of Jamaican culture that appeals to visitors' imaginations of what Jamaica should be. This commodified version of Jamaican culture is 'exported' to visitors who consume the tourist product. Based on Gorz's description of the 'new service industry', it is clear that demand tourism, the economy's main export staple, was a byproduct of economic development in other countries.

The sector which produces the staple product in the plantation economy is unable to contribute to local development. The sector's inability to create domestic linkages and the high leakage rate of foreign exchange out of the economy is a testament to this. The traditional plantation and the modern all-inclusive hotel both import large quantities of consumer and 'finished goods' that align with tastes and preferences set in the dominant metropole. By contrast, the limited amount of goods obtained from local industries is relatively lower on the value chain, primary products; for example, agricultural produce and low-value construction materials used by all-inclusive resorts and the locally produced cattle in the case of traditional plantations in Jamaica. All-inclusive resorts are notably worse than other types of hotels in creating and maintaining local linkages. Visitors to all-inclusive resorts are provided with amenities on the resort and do not need to leave it, so they will not consume locally made goods and services. Tourists spend the majority of revenue earned by the resorts in advance of their travel, and they keep only a small amount of money on hand for unexpected expenses. Therefore, to an even greater extent than with the plantation, the money circulating in the resort bypasses the hinterland. The growth of all-inclusive on the island and the relative decline of smaller locally owned hotels and inns has cut out many craft producers, restaurant and bar owners, transportation providers, tour guides, and other small tourist sites from the significant earnings made in the industry.

Being shut out of tourist earnings has led Jamaican higglers[22] to become more insistent in their approach to selling their goods to tourists. Higglers often try to sneak onto resort priorities, local beaches, and airports to sell their goods. Tourists often view the persistence of their approach as harassment, and as a consequence, these higglers are likely to be arrested or harassed by local police. Other Jamaicans in tourist areas turn directly to illicit activities to earn an income. Prostitution and the sale of illegal drugs are more common in tourist cities than elsewhere on the island. Lauren Johnson hints that the prevalence of romance or sex tourism, drug trading actives, and the crime related to these activities in tourist areas may have the implicit approval of the (2014). "Caribbean governments, including that of Jamaica, seem to avoid addressing illicit tourism-related practices in order

[22] Higglers refer to small craft vendors or traveling sellers who sell trinkets and other small items

to emphasize the overall benefit that tourist dollars bring to the region" (Johnson, Work at the Periphery: Issues of Tourism Sustainability in Jamaica 2014, 954).

Given that the tourism industry directly provides only 7% of total employment on the island as of 2013 for Jamaicans of a lower social, economic status, illegal actives are the only way to benefit from the industry (Johnson 2014, 951). "(Illegal actives) can be viewed as a last resort option for local individuals seeking ways to participate in the growing profits from tourism yet lack the skills to find gainful employment in the hotel chains that consistently spring up in resort areas" (Johnson 2014, 958-9). Sex tourism, in particular, provides more lucrative earnings than work on a resort. Compare that sex workers can receive up to US$250 in one day from an individual tourist while minimum wage workers within the sector receive US$50–$80 weekly (Johnson 2016, 1026). However, the risk of engaging in illegal activities is high. For sex workers, the risk of contracting sexually transmitted disease given an inadequate health care system is an unfortunate probability.

Although tourism is not an extractive industry like bauxite, nor is it a soil-dependent one like agriculture, it still drains the island's natural resources. Like the sugar plantations, the type of product offered by Jamaican tourism requires specific environmental conditions in which to thrive. White sandy beaches, thriving coral reefs, and year-round sunshine mean that resorts are the main products offered by Caribbean tourism. However, the mass tourism practiced in Jamaica is prone to the overuse and heavy pollution of coastal resources. As the construction of large 500 room resorts destroys vital natural recourses such as mangroves and fish nurseries, the industry's long-term viability is threatened through beach erosion. Additionally, the destruction of coastal resources threatens the natural island's storm barriers and depletes fish stocks. Therefore, although tourism does not directly extract resources from the soil, like mining or agricultural production, it is not immune to decline associated with the exhaustive use of resources.

If the theory of the plantation economy is applied to this context, then tourism, like all other staple exports (such as bauxite, banana, and sugar), will soon face a period of decline. When the island no longer looks as picturesque and profitable as other tourist areas, international capital will move to other hinterlands. Since individual resorts are normally attached to bigger multinational hotel chains, foreign owners could easily switch capital resources and reorient investment to other more favorable tourist destinations. Once again, resource exhaustion and oversupply would be implicated as factors that led to the downfall of an export staple. Because the industry's serves the interest of foreign owners, whose only purpose is to exploit domestic resources for their own profit, a decline in revenue earnings in the plantation economy will only be a temporary inconvenience for large resort owners. Since large resorts are often part of larger multinational resort chains the damage to long-term profitability for foreign owners will not be affect if the company is able to invest is another more profitable hinterland.

The Model of the Plantation Economy Modified (Model 2) detailed how export-oriented production connects to the stagnation or decline of domestic industry. The plantation economy's fixation on international trade devotes productive resources away from the needs of the population. There can be no more explicit example of this in the modern Jamaican economy than the national government's support of the tourism sector. The state offers reduced tax rates and other financial incentives to foreign investors who seek to establish hotels on the island. The government spends funds on infrastructure projects such as ports, airports, roads, and highways in 'tourist' cities. In an economy burdened with debt service payments (which account for up to 55% of government expenditure), devoting funds to tourism comes at the expense of providing social services to Jamaicans (Ambrosie, 2015). In resort-dense areas on Jamaica's north coast, "providing proper environmental and sanitation services for hotels has often taken precedence over similar programs for

Jamaican citizens" (Dodman, 2019, 213). A study of water provision services in Falmouth, and Montego Bay has shown that only 40.3 percent and 51.2 percent of households, respectively, have piped water inside their home (Dodman, 2019, 210). Sanitation services have also been poor for residents in these areas. Contrast this against the fact that resorts provide these same services to an average of over 2 million visitors each year. Linda Ambrosie also considers that in the year that Jamaica defaulted on $750 million in loans, it continued to provide tax relief and duty concessions to resort owners (Ambrosie 2015, 200).

Even the revenue generated within the tourism sector is unevenly distributed. Small hotels and inns (which are frequently locally owned) generate less tourist revenue than larger foreign-owned all-inclusive hotels. Smaller hotels are more expensive for owners to operate due to higher overhead costs and lower room occupancy rates. Although smaller hotels outnumber all-inclusives (they account for more than 63% of resort properties), they are responsible for only 25% of room availability (Tore's, 2000). All-inclusive hotels are therefore able to capture the majority of visitor arrivals. Institutional investors are more inclined to invest in large all-inclusive rather than small locally owned hotels due to their high earning capacity. The capital, marketing ability, and brand recognition of international hotel chains also give them an advantage in attracting visitors and investment resources over locally owned resorts. Small locally owned hotels are at a considerable disadvantage competing against larger foreign owned multinationals for resources and revenue. They can be pushed out of the market even when tourist arrivals increase if they are unable to reduce operating cost or attract visitors. It is small locally owned hotels however which create linkages with local business and are less likely to leak profits and other income out of the local economy.

The unequal distribution of earnings within the sector has implications for the amount of revenue retained by the local economy. Recall that since its inception, revenue leakage is a defining characteristic of the plantation economy. Large hotel chains, which receive already low tax rates from the local government, repatriate revenue to their parent company's headquarters in other countries. The benefit gained from having sizeable multinational hotel chains operating in the economy is therefore minimal. Despite the substantial earning of foreign exchange income, the local economy is primarily able to keep earnings from wages and salaries of local employees alone. More significant revenue sources such as profits or retained earnings, fundamental to capital formation and economic development, are repatriated to external economies. This is, of course, the story told by each successive modification of the plantation economy. In Best and Polanyi Levitt's estimation, this will continue until the structure of the economy is transformed and the economy is no longer externally propelled.

Trade Liberalization and the Peasantry

The decline of an old export staple and the birth of a new export-oriented industry is the story told by each successive modification of the plantation model. The plantation economists anticipate that this cycle of adjustment will come without any significant investment in local market structures or growth in domestic production. The state of peasant production in the plantation economy reflects the health of the domestic market. The peasant sector provides alternative employment away from the export-oriented sectors and supports other domestic-oriented industries, thus creating linkages within a local market. A healthy peasant sector is, therefore, an essential foundation of local production and development of the residentiary sector. In the Plantation Economy Modified, the peasantry is always in direct competition with export-oriented sectors for resources. It continually suffers from inferior access to land, poor soil quality, inadequate financing, and low earning capacity. Despite these issues, the peasantry continues to sustain rural communities.

In the age of neoliberalism and trade liberalization, the Jamaican peasanty faced a new set of challenges. The decline of agricultural production in Jamaica was part of a regional trend in the late 20th century. Caribbean agricultural production dropped from 36% of the total proportion of exports in 1960 to 24% in 1980 and would continue to fall to 17% by 2000. This fall in agricultural exports did not need to imply a decline in peasant cultivation. Since the two sectors have always competed for resources, a decline in the production of the agricultural export staple could have led to the freeing up of land and capital resources for domestic food production. However, government programs in Jamaica failed to redistribute adequate amounts of fertile agricultural lands gained from the sale of old sugar estates to small farmers in the 1980s (Beckford 1972; 1968). Several structural and institutional factors also limited attempts to provide credit to these farmers, which they could have used to expand production capacity. The government's push for commercial development in the 1990s also resulted in the siphoning of off rural labor into manufacturing activities in urban areas. These factors all presented significant barriers to the peasantry; however, the trade liberalization policies in the modern era led to the sectors' consistent decline.

Low duties and the removal of import controls (due to IMF requirements), have slowly decimated local food production for the domestic market since the 1970s. Foreign food producers supplied goods at a lower cost and a higher quantity than local producers. Urbanization and the establishment of international fast-food chains on the island also helped food imports gain an advantage over locally produced foods. Fast-food chains and American food culture drastically shifted the consumption habits of the local population in

Jamaica. The tendency to 'dine-out' at fast food restaurants is more common in cities than rural areas where local produce was less available to consumers. Adopting American eating habits also led to a demand for products that peasant and other local farmers either did not produce or could not produce in large quantities (such as meat and dairy products). Although Lloyd and Levitt recognize this shift in food culture, they note that there is always a preference for imported goods in the plantation economy. This preference is set by the higher classes of society, who constantly attempt to mimic the demand patterns of citizens of the dominant metropole. In the Jamaican economy, higher-income groups always tended to consume a relatively higher proportion of imports. However, the liberalization of global trade and the growth of Metropolitan food conglomerates made foreign food products more readily available to the whole population. Therefore, although consumption habits have shifted and the accessibility of food imports has increased in other hinterlands, in an economy with a legacy of plantation production like Jamaica, these two factors lead to a significant decline of the already struggling peasantry. This decline was exemplified by the significant 29.4 percent drop in domestic food production (from 662 952 to 467 802 tons) between 1996 and 2006 (Barker, Bailey and Beckford 2007, 275-6). In hinterlands where a residential sector was allowed to thrive or sustain itself before independence, trade liberalization policies would not have impacted domestic production as dramatically. However, in plantation economies that have a severely stunted peasantry and an institutional reliance on imported food products, neo-liberal trade policy has reduced the sustainability of small-scale domestic farming and lessen food security.

Despite the continued decline of domestic agriculture and the peasantry, some locally-oriented producers have benefited from trade liberalization. The rising demand for imports has allowed companies that repackage and distributed imported food products to become Jamaica's successful business enterprises. Among the most successful of these enterprises is

Grace Kennedy Limited. A trading company founded by two Jamaican businessmen in 1922. The company has since extensively diversified its operations in Jamaica to offer financial services, product manufacturing, retail export processing. Grace Kennedy has also has expanded its operations outside of Jamaica now has over 60 subsidies and divisions in North and Central American, the Caribbean, and the United Kingdom (Sprague2019, 195-7). The company intends to become a global consumer group along the lines of other food processing transnational companies.

GraceKennedy's initial success as a domestically-oriented company (which would have classified it as part of the residentiary sector) has not predicated the development domestic economy that plantation economists predicted. Unlike the residentiary enterprises which Best and Levitt hoped would help transform the plantation economy, GraceKennedy (and companies like it) does not maintain domestic linkages with other locally oriented industries. Perhaps this is because the GraceKennedy Group is a major importer of foreign goods and operates more to satisfy the plantation economy's demand for foreign goods than to provided an alternative for foreign products. In any case, the local import distribution company did not significantly contribute to the development of domestic market infrastructure, nor did it contribute to the transformation of the plantation economy in the way Best and Levitt claimed local production would. The way GraceKennedy operates demonstrates an issue with relying on locally owned capitalist enterprises to disrupt the functioning of the global trade system. Capitalist firms, regardless of national affiliation, are primarily concerned with profit-making and their self-interest. When functioning within a global trade system plagued by the legacy of mercantilism, capitalist firms are more inclined to work within the uneven system to secure their profit than to upend the system for the benefit of the whole society. Suppose we acknowledge the tendency of the capitalist firm (even locally owned ones) to act in their self-interest instead of the interest of the local development. In that case, it is easy to see how the mere existence of residential firms like GraceKennedy will not be enough to 'transform the plantation economy.

Theories of National Development and the Plantation Model

Levitt and Best intended to create an “anti-model” in which the plantation economy would "transcend metropolitan dependence and the economic and social legacy of the plantation" (Levitt 1995, 35). This fourth model would have outlined Best's path for a type of development that benefits residents in the plantation economy. For Levitt, this type of development would not be calculated based on simple economic metrics, equating the number of goods produced and consumed with the level of welfare in the country (2002; 2009). Development of the national economy must also include expanding social services such as housing, health, and education. Best also called for land reform and the nationalization of banks and financial institutions to finance local entrepreneurship (1967; 2009). Best envisioned local government (in this fourth model) taking an active role in encouraging domestic food production and creating backward and forward linkages in the economy. Most notably, Best spoke a change in the process of forming ideas in the transformed plantation economy. Through local education and media the population would be instilled with a set of values that reaffirm their ability to control their destinies and reduces their dependency on metropolitan ideas.

Best and Levitt look toward the development of domestic trade within the plantation economy for the transformation of society that will ultimately lead to the development seen metropolitan or center countries. They call for domestic ownership of resources to reform the plantation economy's ownership structure and reorient institutions toward capital formation in the hinterland. Cuba is the only economy Levitt sees as having made significant progress on this front. The Cuban economy has reduced its reliance on global markets, achieved self-sustainability, and produced goods the most needed and of the greatest value for the domestic population. However, Cuban society is not the type of society that Best and Levitt view as transformed plantation economy. The transformed plantation economy is market-based capitalist society where local ownership is prioritized.

The plantation economists' promotion of local capitalist enterprise in their vision of a transformed plantation economy is a weak point of their theory. Emphasis on this type of enterprise ironically implies tacit acceptance of the logical coherence of neoclassical doctrines of thought such as the theory of the firm. This is unfortunate not only because, as Vanus James points out (based on the writings of Piero Sraffa), "the neoclassical theory of the firm is inapplicable ………… because it cannot be validly constructed" (James 1993, 55). It is also unfortunate because Best and Levitt do not critically analyze the tendency of all capitalist firms (local or foreign-owned) to exploit resources, accumulate wealth, and relentlessly pursue profits to the detriment of local populations everywhere. Short-term exploitation, which enriches capitalists at the expense of Jamaican workers, is the goal of metropolitan plantation enterprises., foreign-owned transnational companies, and small locally owned capitalist firms. Therefore, even in developed metropolitan states, domestic capitalist production still creates conditions of unemployment, income inequality, and poverty. Environmental degradation and overreliance on volatile market are issues which localized capitalist production does not solve. Even markets in metropolitan states tend to reproduce unequal class and ethnic relations established prior to capitalist production.

A push for national development through local enterprise also dismisses any critique of class in a plantation economy. Labor exploitation in the plantation economy predates the development of modern capitalist enterprise; however, capitalism reinforces the systematic exploitation through the unequal capitalist-worker relation. Alex Dupuy states that "contrary to the "plantation economy" perspective, which locates the internal structures of underdevelopment in the establishment of plantations in the Caribbean, my analysis shows that such structures were the effects of the prevailing slave relations of production" (Dupuy 1983, 240). In Dupuy's estimation, it is the history of slavery and not the legacy of mercantilism or the structure of traditional plantation production that is primarily responsible for persistent underdevelopment in Caribbean economies. Dupuy's analysis of underdevelopment in the Caribbean removes focus from national versus foreign ownership of resources and instead focuses on the unequal power and class relations created by and unique to the previous slave societies. Dupuy explores the creation of an "indigenous bourgeoisie" within the Caribbean capitalist economies who are beholden to foreign capital and who benefit from existing underdevelopment in Caribbean societies (Dupuy 1983, 250). Here we another issue associated with the national approach to development through domestic capitalist enterprise. The structurally embedded relationship between the local bourgeoisie and global capitalism is misrepresented as a voluntary relation. The plantation economist view does not acknowledge national enterprises in previously colonized territories may unavoidably act to uphold old imperial patterns through participation global capitalist economy.

> "By continuing to focus their attention to the structures of the plantations, the proponents of the "plantation economy" thesis, willingly or not, effectively displace the level of causality, and the real issues of class relations of exploitation and domination, their effects are thus reduced to secondary considerations" (Dupuy 1983, 240).

Conclusion

The Plantation Economy model provided a practical framework for analyzing the history of the Jamaican economy. The models' assessments regarding the persistent economic structures, particularly mercantilism, and limitations of export-dependent growth within a plantation economy were held mainly in the case of Jamaica. Where Jamaica's Economy did depart from the models of the plantation economists, their theoretical framework was a valuable tool in analyzing how these departures affected the economy. Best and Levitt's central thesis is that unless the economy's structure is fundamentally transformed, the institution and economic conditions formed during earlier eras will continue to influence how the economy functions. Concerning the Jamaican economy, this seems to be the case.

Plantation Theory helped to highlight how underdevelopment in Jamaica is a continued function of development in other countries known as metropoles. This allowed the thesis to export the transformation of economic enterprises and the development of the capitalist mode of production throughout six centuries. Chapter 2 analyzed the Pure Plantation Economy and traced the foundational impact of mercantilism imposed by the colonial metropole on the Jamaican economy. We observed the growth and decline of the traditional plantations, the joint-stock company, and the sugar as the economy's export staple. In Chapter 3, the Plantation Economy Modified allowed us to explore the expansion of global commodity markets through the policy of free trade implemented by the metropolitan state. The growth of Metropolitan Plantation Enterprise and the production of bananas and sugar were the main features of the Jamaican economy. Chapter 4 described Plantation Economy Modified and marked the expansion of industrial capitalism and mass production in new metropolitan countries. In the Jamaican Economy, bauxite became the export staple, and transnational bauxite companies were the economic entities that defined this period. Chapter 5 described the present neoliberal era, which saw the growth of the global service industry due to metropolitan demand. Tourism became the economy's main export staple, and multinational hotel chains become the prevalent economic enterprise.

However, Plantation theory was not perfect in its historical analysis of the Jamaican economy. The theory could not account for all nuances of Jamaica's economic history, as seen in Chapter 2 with the coffee and cattle ranching industry. The plantation economists also misrepresented the functioning of the peasantry (see Chapter 3) and domestic enterprise (see Chapter 5). They also fell short in analyzing state and international governing bodies' role in perpetuating or promoting economic development (see Chapter 4). Despite the plantation economists is was more effective than other development strategists, like Lewis and Rostow, in outlining the limitations to development faced by the Jamaican economy. Its use of history as an instructive tool allows it to be more accurate in its descriptions of the Jamaica economy and society than conventional economic theory. Norman Girvan points out that:

> "This school of thought stems from a willingness to look for comprehensive explanations of our (Caribbean people's)own reality ….moving away from theory and blind empiricism towards a consciousness where the global south can assert their own interpretation of history, reality, and vision of the future" (N. Girvan 2006, 346).

As global society moves into the neo-liberal age, historical analyses of markets and economic agents are more difficult to come across now than when the plantation economists were crafting their theory. "Capitalism and capitalist ideology in its neo-liberal form …..benefits from (this) amnesia, the temporality that capitalism urges is a perpetual present, and that is why we find ourselves addressing problems now that should have been addressed 150 years ago" (Davis 2020). Plantation theory attempts to disrupt this overemphasis on the 'perpetual present' by providing helpful analysis of the past. It is, therefore, a valuable tool for imagining the future.

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