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Dominican Republic: the development of a tropical agrarian economy

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DOMINICAN REPUBLIC :
THE DEVELOPMENT OF A TROPICAL AGRARIAN ECONOMY
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abstract

The islands and nations of the Caribbean are beset by numerous problems which retard economic development. Most critical of these problems are limited natural resources, a heavy dependence on monoculture, backward agricultural practices and high population densities. Although the Dominican Republic shares these problems with neighboring islands and countries, this nation has exerted considerable efforts toward strengthening its economy. This study examines the Dominican Republic geographically with particular emphasis on the nation's ability to develop its economy and to achieve a standard of living hitherto unknown among other tropical agrarian economies of the Caribbean.

The Dominican Republic occupies the eastern two-thirds of the island of Hispaniola. This island lies at the convergence of two major cordillera axes of the West Indies and is the most rugged island of the Greater Antilles. In general, the mountains tend in an east to west direction with the Cordillera Central dominating the island and extending nearly the entire length of the country. Mountainous terrain covers approximately 60 per cent of the nation's area. Of remaining level lands the most important are the Cibao Valley north of the Cordillera Central and the South Coastal Plain which occupies the eastern two-thirds of the country south of this cordillera.

Easterly trade winds dominate the climate, which generally is warm and humid. Heaviest rainfall occurs in the

northeast where a tropical rainforest is found. Southern and western sections of the country exhibit a savanna type of climate with maximum precipitation coming in the period of high insolation. The north coast also has a savanna climate, but maximum rainfall there comes in the winter months. The southwestern corner of the country, while basically having a savanna climate, is drier than other areas and certain sections are sub-humid.

In spite of these climatic conditions of generally abundant rainfall and warm temperatures which favor agriculture, centuries of neglect, corruption, revolutions and wars hindered the development of a sound agricultural policy. When the Trujillo regime gained control of the country in 1930 measures were instituted to improve the farm economy. Irrigation projects in sub-humid western areas, agricultural colonies to settle these areas, and land distribution among hitherto landless peasants were the major aspects of the overall agricultural program. Principal aims of this program were the diversification of agricultural exports and a greater self-sufficiency in domestic foodstuffs. Attainment of these two goals has met with a fair degree of success. Heavy dependence on the export of sugar for national revenue has been reduced and this crop now is strongly supported by coffee and cacao. Although the country still imports large quantities of foodstuffs, the Republic's farms have reduced these imports from 27 per cent of all imports in 1929 to

10.5 per cent in 1954 without any reduction in domestic consumption. At the same time, exports of certain foodstuffs have been possible and the nation has the potential to become an important exporter of foodstuffs to neighboring Caribbean areas.

This overall agricultural program has created a farm economy pattern that is reflected in the nation's six major agricultural regions. These are the commercial sugar cane belt of the South Coastal Plain, the coffee and cacao belt of the eastern Cibao Valley, mixed commercial and subsistence agriculture of the central Cibao Valley, irrigated rice lands of the western Cibao Valley, mixed farming and grazing lands of the western interior valleys, and irrigated sugar cane of the Enriquillo Basin.

In conjunction with the program for agriculture there has been a policy of industrial expansion predicated on the development of industries utilizing the nation's natural resources. A general lack of minerals and fuels precluded heavy industry and the main emphasis has been on light industries engaged in processing the products of agriculture. Thus today the processing of agricultural products accounts for 80 per cent of sales in Dominican industry, with the crops of commercial agriculture contributing most heavily. Other significant categories of the Dominican industrial complex are textiles, the extraction and processing of metallic and non-metallic minerals, and chemicals. Although ranking far behind

agricultural processing with respect to the national economy, these industries have a potential for future expansion. Perhaps the brightest prospect lies within the chemical industry. The nation possesses large reserves of salt which hardly have been exploited. A gradual development of chemical industries built around salt would appear to be a wise policy for the future. All told, the expansion of industry since 1936 has been impressive. The number of employees has increased by 300 per cent, the number of industrial establishments by 300 per cent, the invested capital by 250 per cent and the value of sales by 1,000 per cent.

In spite of the progress made since 1930 in revitalizing the nation's economy, succeeding years will continue to be critical if the nation is to realize its economic potential. Although programs for agriculture have enhanced the farm economy, little has been done to aid the small farmer who comprises the bulk of the population. Even today, his methods of cultivation are crude and his awareness of modern agricultural practices is slight. In addition, dependence on sugar still is potentially dangerous. Markets for this crop are not dependable and when world demands drop the economic structure of the nation is severely affected. Industrial development will continue only through a sensible utilization of the nation's natural resources. Although there are modest reserves of iron ore it does not seem sensible to plan construction of a steel mill. This has been proposed,

however, and prior to this a shipyard and munitions factory were built. Project such as these can undo the benefits of less grandiose but more rational programs that have been carried out in the past quarter century.

One detriment to economic development that existed in the past, under-population, no longer is present. Since 1900 population has expanded 500 per cent and the country appears headed for densities that now beset many other West Indian islands. Over-population is a major factor contributing to the many economic ills that plague these islands. In order to accommodate the increasing numbers of people and still provide a decent standard of living, the Dominican Republic must effectively utilize all available farmland, strengthen the position of the small farmer, and continue the expansion of light industries that are natural to the country.