

Lessons for the Caribbean from China's Successes along a Lewis Path

W. Arthur Lewis Memorial Lecture

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The University of the West Indies Regional HQ, 22 January 2025

Current Draft Revised 11 February 2025

What I want to speak about is the way forward for the Caribbean but I need to give credence to my suggestions. As a result, I have framed my suggestions in terms of lessons, from the way in which the most successful economic transition in history (China's) reflects the thinking of Arthur Lewis who was the Caribbean's most successful political economist.

Beyond China, there is the wider context of Asia, and the decline of the share of Western Europe and its "outposts", in the global economy. Going back 200 years, China and India were the world's two largest economies (Bolt and van Zande, 2024).¹ In 2050, PWC (2017) projects that China and India will be one and two again. In 1995 the E7 largest "Emerging" economies (Brazil, China, India, Indonesia, Mexico, Russia, Türkiye), were half the global economic share of the G7 largest "Western" and allied economies (Canada, France, Germany, Italy, Japan, UK, USA); by 2015, the shares were equal; and by 2040, the projection is for the E7 to have double the share of the G7 (PWC, 2017). (Calculations use purchasing, power, parity based on the value that money has for people in their home country).

The brilliance of Lewis, is that within the racist context of the 1950s, when China and India were at or close to their low point, he foresaw the possibility of this future. He noted, "Japan has been able to double output per head every twenty-five years" and "the rest of Asia ... could do the same" (1955, 326). In addition, Lewis set out a path, which is close to the one that Asian countries including South Korea and Singapore followed, to achieve rapid economic growth. He also contended with those who denied transition as a general possibility. He noted, "They sneered at Russia ... at Japan, at Italy ... in each case they were soon astonished by the rapid growth of productivity" (1950, CP, 876-7).²

In what follows, I distinguish between a Lewis path and any of the various economic models that have been associated with his name. These include models that he developed in 1954 as well as those which Fei and Ranis developed in the early 1960s. I indicate the difference between the principles of a Lewis path and its application to a particular economy, and I define my notion of a Lewis path. I consider how China met the socio-political criteria for a Lewis path. I show where China excelled economically in pursuing a Lewis path. I note that the path for China and other Asian countries involved policies of the kind which Lewis outlined for the 1950s Caribbean but which the region failed to follow. Parallel with my discussions of China, I consider the lessons for the Caribbean in terms of finding a Lewis path in the contemporary world. In closing, I return to Lewis's discussion in 1955 as to whether growth is desirable. I point to some of the negative environmental and social consequences that China experienced during the period when it single-mindedly sought growth. With these in mind, I raise the question as to what constitutes the "good life" that the Caribbean might seek by pursuing a Lewis path.

A Lewis Path versus a/the Lewis Model

The concept of a Lewis path is quite distinct from the construct appears in economics textbooks as the Lewis, Lewis-Fei-Ranis, or Fei-Ranis model for which, the last nomenclature is the most accurate. An Appendix provides more details on the distinction between Lewis and the Fei-Ranis model. In this

¹ Bolt & van Zande request that authors cite their original sources to give credit where it is due. For China, their sources are (Broadberry, Guan, & Li, 2018; Xu, et al., 2016) and for India, (Broadberry, Custodis & Gupta, 2015).

² Where Lewis's articles are included in Lewis's 1994 Collected Papers (CP), pagination is for that edition.

section, I focus on the essential difference to clarify Lewis's perspective. In 1954, Lewis used a set of models to illustrate how an initially small (private or state) capitalist sector could grow rapidly and in doing so transform an underdeveloped economy. That is, how a change in the social force that drives an economy can change its performance. Fei and Ranis assert that the essence of economic development is the transfer of labour from the agricultural to the manufacturing industry. That is, a technical shift in nature of the types of activities that dominating an underdeveloped economy causes it to growth.

It is also important to understand that I am considering an approach to development rather than focusing on any economic model. Even if we were to consider only the models that Lewis outlined in 1954, we would not have an adequate insights into Lewis's policy perspective. Lewis's analysis in 1954 was only addressing what he called labour surplus economies. He was neither addressing land abundant nor mineral rich economies. (I make no further mention of the latter group which Lewis mentions infrequently and often by way of contrast with the former two.) Another limitation of the 1954 article is that it never sought to guide policy. To find Lewis's economic prescriptions we have to consider his policy works. In a 2019, I document the policies that Lewis proposed for Caribbean labour surplus economies in the early 1950s. In other papers, I provide insights into his policies for land rich economies (Figueroa, 2004, 2009, 2019).

Having considered his prescriptions for these two types of economies along with the models he set out 1954 and the discussions in his book, *A Theory of Economic Growth* (1955), I find it useful to speak of a Lewis path. In the next section, I set out the elements of this path in terms of its socio-political criteria and the methods Lewis used to choose economic policies. In doing so, Lewis applied universal principles but he also assessed the particular policies that were appropriate in each case. The general characteristics of the Lewis path are relevant to my entire discussion. The specifics of the 1950s path, which Lewis outlined for the Caribbean, are relevant to a discussion of China or other Asian countries but this path is of less relevance to the contemporary Caribbean. My goal is to give some indication of the kind of analysis that would needed in the Caribbean and the steps required to move the Caribbean onto a Lewis path, which could generate rapid economic transform as it did in Asian economies.

Elements of a Lewis Path

To achieve rapid economic transformation, Lewis assumed that there would be a set of socio-political prerequisites in place. These I have summarised as follows.

A bold vision for a thorough-going transformation ... leadership which would be exercised to create a new social partnership and political engagement ... redefining the role of various classes ... developing new institutional and organizational frameworks to promote the rapid development of the economy. (Figueroa, 2019, 36)

Lewis's methodology included undertaking a scan of global trends together with a scan the local economy. These would identify the best opportunities and the changes required to grasp them. Unlike the static comparative advantage analysis of mainstream economics, Lewis favoured dynamic planning directed at systematic repositioning an economy. This did not only involve asking what we can do now or do a bit better. It involved noting our current advantages and disadvantages to ask what we must do to reconfigure the entire economy to take advantage of relevant global opportunities.

The Ghanaian, land rich case was amenable to simple analysis (1953a). He saw major opportunities in the growing demand for cocoa. Ghana had abundant land suitable for cocoa; there was a robust peasant farming class and there was knowledge about how to improve agricultural outputs. The main constraint was how to get the peasantry to adopt new techniques. He supported the transfer of technology to the

peasantry through state entities. This he suggested would result in a rapid increase in production. A national cocoa board would purchase the farmers' cocoa at a fixed price. This price would allow the government to capture significant surplus during normal and boom times. This would increase national savings and support investments in other sectors of the economy. In bust times savings accumulated in a national cocoa fund would ensure that farmers maintained their standard of living as well as their interest in cocoa production throughout the commodity cycle. Meanwhile there would be robust developments in local food production traded through private channels. Increased food production would also lead to increased savings and investments. The state would develop its capacity in all areas. The savings from the revolution in agricultural productivity would ultimately finance an industrial revolution which is what Lewis argued had originally occurred in England. Ghana did not adopt this path. Unlike Lewis, the national leaders were focusing more on industrialisation than accumulation.

In the Caribbean island territories, Lewis argued that it was necessary to find opportunities (primarily in manufacturing but also tourism and migration mainly to land rich Belize) to draw labour out of agriculture and other over-crowded low wage, low productivity activities such as petty trading. Doing so would provide the opportunity to revolutionise agricultural production, including the local production of food, which would not otherwise be possible. This was because with so many persons working the limited land area, most farms were too small to afford an acceptable standard of living. Lewis's calculated that the Caribbean market (even if federated as he advocated) was not large enough to sustain a manufacturing sector that could absorb all the available surplus labour. It would therefore be necessary to build the capacity to export manufactured goods. Given the shortage of capital and (more so expertise) locally, the initial push towards exporting manufactured goods would need to come from foreign capitalists with already established markets in the North Atlantic.

The state would have to develop agencies which could identify suitable industries and persuade capitalists in these industries to locate their incremental capacity in the Caribbean to supply markets in the North Atlantic. In this process, he saw the importance of development centralised industrial parks for light manufactured goods so as to take advantages of the economies of scale and scope. This would not be possible if factories spread out across towns throughout the region. As incomes rose so would savings and investment and locals who foreign capitalists would be required to employ in managerial positions would gain experience in manufacturing. Locals would be able to buy out the foreigners or develop their own manufacturing operations for export. In this way, there would be a simultaneous revolution in agriculture.

As someone sought to avoid the limitations of ideological thinking, Lewis demonstrated flexibility in outlining two distinct paths but with common features that would lead to a set of outcomes which I have summarised for the Caribbean.

He projected that such a process would alter sectors which ... dominate the economy ... technologies ... employed, social structure of society, living standards of the people, the impact that governmental institutions would have on the region and the way in which the latter would be reinserted into the global political economy. (Figueroa, 2019, 36)

Along both paths Lewis saw common economic elements. This involved 1) making the best of available local resources and international partnerships, 2) revolutionising agriculture including the domestic food producing sector, 3) raising local rates of saving and investment, 4) building the state's capacity to plan, implement and facilitate development, and 5) ensuring that all local classes developed appropriately and acquired the skills needed to fulfil their role in economic transformation.

Main Conclusions

Based on this notion of a Lewis path, I have drawn conclusions regarding China. I present these here to make it easier to understand the discussion that follows. China excelled on a Lewis (economic) path, which was close to the path that Lewis outlined for the 1950s Caribbean. China's most successful policies "despised" in the "West" are some of the very ones that distinguish a Lewis path. China did not adopt the political system that Lewis preferred but China did meet the socio-political criteria for a Lewis path. In concluding that China excelled along a Lewis (economic) path and was able to meet the socio-political criteria for the path, it is important for me to state that this is not to say that I endorse the approach taken in China in term of the full range of economic, political and social policies adopted.

My conclusions regarding the Caribbean follow. A contemporary Lewis (economic) path for the Caribbean would not be the path that he outlined for the region in the 1950s. Despite this, Lewis's path-finding method is still useful. The Lewis path has techno-economic elements. These relate to indicators such as the relative size of saving to a country's national income. The path also has socio-economic elements, which refer to the way in which different groups in society relate to each other and to the system as a whole. Mainstream economists tend to consider only the techno-economic. Political economists like Lewis integrate both into their analysis. Which elements are most important would vary for each Caribbean economy but based on a scan of the global opportunities, Caribbean countries can still find a Lewis path to rapid development.

China Met the Socio-Political Criteria (Eventually)

The socio-political prerequisites for a Lewis path include: 1) bold, effective and visionary leadership, 2) social consensus, cohesion and cooperation, 3) state capacity to plan and implement as well as self-correct where necessary, 4) long-term policy frameworks and guidance for institutional development, 5) state legitimacy and mass support, and 6) strong meritocratic and service oriented values.

Lewis was a Social Democrat and supported the development of national consensus within a social partnership framework. He favoured a more liberal political regime than existed in the Asian countries during their period of rapid transition along a Lewis (economic) path. Nevertheless, Lewis was clear that it was possible to achieve rapid economic development under different types of regimes so long as they exhibited certain features. China met Lewis's political criteria eventually. I say eventually as there were periods when the political regime in China was not conducive to rapid development. In terms of the Lewis criteria listed above, there were periods when the leadership failed, and there was a break down in social consensus, cohesion and cooperation.

Outside of these periods China has shown an increasing ability to plan, implement and self-correct. One of the strengths of the Chinese regime, missing from many more liberal political systems, is the ability to provide long-term policy and institutional development independent of a short-term electoral cycle. Despite what its detractors have to say, research including that done at Western universities such as Harvard (Harsha, 2020) shows that the Chinese state and government have some of the highest levels of legitimacy and mass support. In addition, meritocracy and service are highly valued despite on-going challenges in areas such as corruption.

Socio-Political Requirements for a (2025) Caribbean Lewis Path

Countries in Caribbean such as Jamaica do not currently meet the socio-political prerequisites for a Lewis Path and will not get there overnight. Getting there would require an upward spiral in terms of how the state and society perform. Economic development is a social process and it is necessary to accumulate the social forces for change. These include regional and international partnerships.

The experience of Asia shows that economic development is most successful where the state has a strong capacity in planning and implementation. Nevertheless, no matter the competences of the state, it must be legitimate in the eyes of the people and there has to be consensus, cohesion and cooperation in society. In addition, no change can come if citizens are cynical that nothing can happen or change. The Caribbean needs to raise expectations, which requires increases in accountability and transparency.

Many Caribbean citizens discount the possibility for change. I therefore present data to show that there has been positive change in Jamaica’s political system. Table 1 tracks the share of boxes in which the winner in the box got all the votes counted for that box, for all 12 contested, post-Independence parliamentary elections. This type of homogenous voting is a very Jamaican phenomenon. It is rooted in both electoral manipulation and the political hominization of communities, and has involved both clientelism and violence. (Figueroa, Harriott and Satchell, 2008; Figueroa and Sives, 2002, 2003). The parish of Kingston which is a subset of the capital city Kingston has been the worst case.

This type of homogenous voting did not occur in parliamentary elections prior to 1972. By 1993, it was so prevalent that the winner got 100% of the votes counted in nearly half of the boxes in the parish of Kingston. The reform of Jamaica’s electoral system has shown positive results. There has been a downward trend in this type of homogenous voting since it peaked in 1993 with the exception of 2020. There was a strong swing in the 2020 elections which tends to increase homogeneous voting. This may account, in part, for the reversal in 2020 but I have not done any detailed research on this election.

Table 1: Four Jamaican Parishes: Percent of Boxes Where Winner in Box Got 100% of the Votes Counted for Box (12 Post-Independence Parliamentary Elections 1967-2020)

	1967	1972	1976	1980	1989	1993	1997	2002	2007	2011	2016	2020
Kingston	0	2	3	8	24	48	22	18	14	6	6	13
St. Andrew	0	0	2	8	16	28	10	7	4	2	2	1
St. Catherine	0	0	0	0	1	6	1	0	0	0	0	1
Clarendon	0	0	0	0	6	2	0	1	1	0	0	0
4 Parishes	0	0	1	4	10	19	7	6	3	1	1	2

Note. Calculated from Electoral Office data. One main party boycotted the 1983 election so it is not included. Excludes boxes with under 30 listed voters as homogenous voting may be occur by chance in small boxes.

Finding Jamaican Solutions That Work

It is important to find solutions that can work in a particular country. The reduction in homogenous voting is associated with the creation of the Electoral Commission, which is a Jamaican solution that has worked. This is because it takes into account realities of the Jamaica, which has one of the most resilient two party systems in the world. In recognising the centrality of two party politics the Prime Minister and the Leader of the Opposition each nominate two electoral commissioners. The “non-partisan” head of state selects four commissioners. The selected commissioners are service oriented national leaders from various sectors such a business, academia and the (retired) judiciary. The selected commissioners choose a chair for the Commission from their number. The eight commissioners choose the Director of Elections. This approach which replaced ministerial responsibility for elections has built legitimacy and represents an all but too rare case of consensus and cooperation between the political parties. It has also raised expectations, accountability and transparency.

Based on the success of the Electoral Commission, I suggest that the head of state should not just be a ceremonial figure. Jamaica would benefit from a consensus President empowered to build legitimacy. Given the current two party reality there is no value in a competitively elected president. A president nominated by a 2/3rds or higher majority of both house voting separately is the best solution. Given the

composition of the Senate, a 2/3rds majority requires that a minimum of one member of the opposition vote with the government. I am not convince of its necessity but one way to give the people a say, is to have a confirmation yes/no vote but many people do not like single candidate elections and elections are very expensive. Having multiple nominees from the parliament would defeat the goal of consensus.

The consensus President would appoint many of the offices and commissions which the Governor General now appoints: on the advice of the Prime Minister after consultation with the Leader of the Opposition. The latter formula is actually meaningless as consultation need only involve provision of information about a decision and the giving of time for a response. The formula should be more like: after making a significant effort to reach consensus. Currently the selection of the members of the various services commissions (civil service, police, judiciary) that appoint public officers is essentially the prerogative of the Prime Minister. Selection by a consensus President would enhance legitimacy. The President could also be empowered to appoint consensus building national commissions on issues such as education, health and policing which should be less fraught by partisan politics.

Adding an element of proportional representation to the existing constituency based parliamentary representation could allow for the expression of views alternatives to those of the two dominant parties. It would also make for a more balanced parliament and avoid the situation as has happened in Barbados where one party wins all the seats. A job description for members of parliament with the requirement of an annual report to constituents and the Speaker of the House could lead to greater accountability. Stricter penalties for members of parliament who fail to perform their job would also help. A separate national constituency for the Speaker of the House could enhance the work of parliament by relieving the office holder of the task of constituency representation. Similarly, there should be provisions for assistance to ministers of government to help them perform their role as constituency representatives.

Changing the Jamaican State’s Relationship with its People

Measures such as those outlined above might begin to promote an upward spiral with respect to the performance of the state and society. In addition, it is important to change the relationship between the state and its citizens. In 2024, the government announced plans for a new tax office in Cross Roads. Despite this, there is a general point that I wish to make using this tax office as an example. Figure 1 gives an idea as to the disrespect shown by the state towards it citizens. The 2013 picture on the left, which shows persons lined up at the building formerly occupied by the tax office, is representative of what I saw recently at the tax office. The 2023 picture shows that problem returned within 10 year, despite a relocation to a larger building. If Jamaica wishes to get onto a Lewis path, the state does not only have to improve its planning capacity. There needs to be a transformation in the relationship between the state and the people. This involves enhancing legitimacy and expanding trust, where the latter goes beyond trust in state institutions to trust between citizens.

Figure 1: Disrespect of the Jamaican State Shown to Its People



See picture credits and data sources for figures at the end of the references list below.

Where China Excelled on: A Lewis (Economic) Path

In noting where China excelled on a Lewis (economic) path, I am seeking to draw attention to lessons for the Caribbean as well as the nature of path itself. China excelled on a Lewis (economic) path in the 1) envisioning of the economy at its full potential, 2) scanning of the local and foreign environment, 3) planning with a system-wide scope, 4) utilising its resources effectively, 5) implementing on a grand scale, 6) managing foreign capitalists, and 7) growing national business classes.

Although other Asian countries have followed a Lewis path, China represents Lewis on a grand scale. In 1990, the Chinese leadership under Deng Xiaoping decided that the area across the river from Shanghai's main business district should become a global financial centre. Pudong, shown top right in Figure 2, had very few buildings of significant height at that time. It was a district, where the poor crowded into cramped housing. In 2018, 28 years later, the tallest building at top left has 128 floors.

Figure 2: Visions of Pudong, 1990 and 2018



In the 1950s Lewis suggested that the Caribbean transform itself by building the kind of industrial parks that he had witnessed in England. Following a Lewis path, China built not only industrial parks but new cities and new areas in old cities with Pudong being an example of the latter. The global Minority economist Milton Friedman visited Pudong shortly after its development began. He dismissed the project as a political stunt and labelled it a Potemkin village.³ (Qiao, 2018, 45)

Economic Requirements for a 2025 Caribbean Lewis Path

If the Caribbean seeks a Lewis (economic) path in the contemporary world, it will have to excel in some of the ways that China did but there are other elements which need consideration. The Caribbean would need to 1) move beyond the economics of the global minority, 2) recognise its economic peculiarities, 3) build economies of scale and scope using networks, 4) extend its reach through culture, tourism and its diaspora, 5) understand real social costs as distinct from money illusions, and 6) improved social provisioning and social investment. I only discuss some of these elements.

The Caribbean people are highly mobile (Figure 3). More than one in five of those born in the Commonwealth Caribbean now live abroad. For some countries this is much higher. For Dominica more than half the people born there now live abroad, in part as a result of the devastation of hurricane David in 1979. In Montserrat (not shown on graph), volcanic eruptions caused a much larger percentage of the population to migrate. Consequent on migration, remittances are significant for some

³ This alludes to the (contested) account that during a visit of the Russian Empress, Field Marshall Potemkin (as late 18th century Governor of Crimea) sought to create a deception of prosperity using portable “villages” made of building façades.

countries (Figure 4). Indeed, Jamaica is a remittance dependent economy accounting for more than one quarter of the value its GDP in 2021.

Figure 3: Peculiarities of Caribbean Economies: Migration Re-Migration and the Diaspora
 Selected Countries: % Native Born Who Emigrated and % Population Who Are Immigrants (2020)

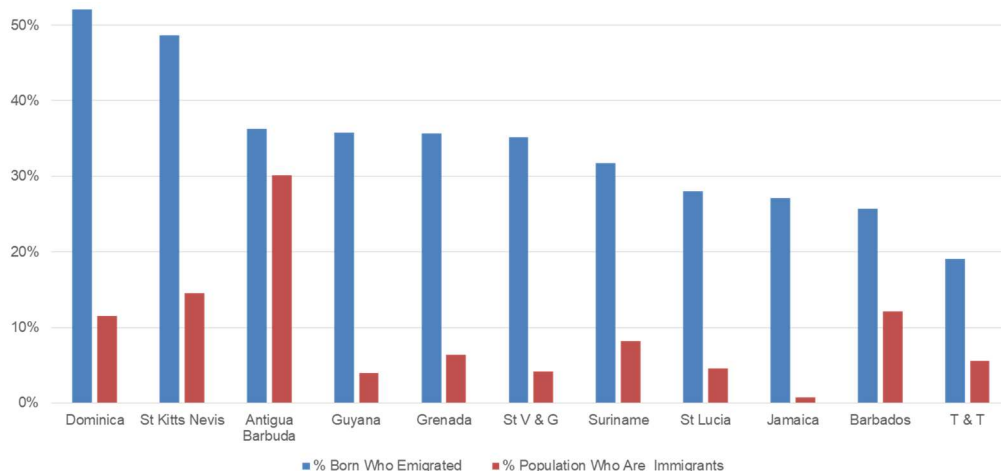
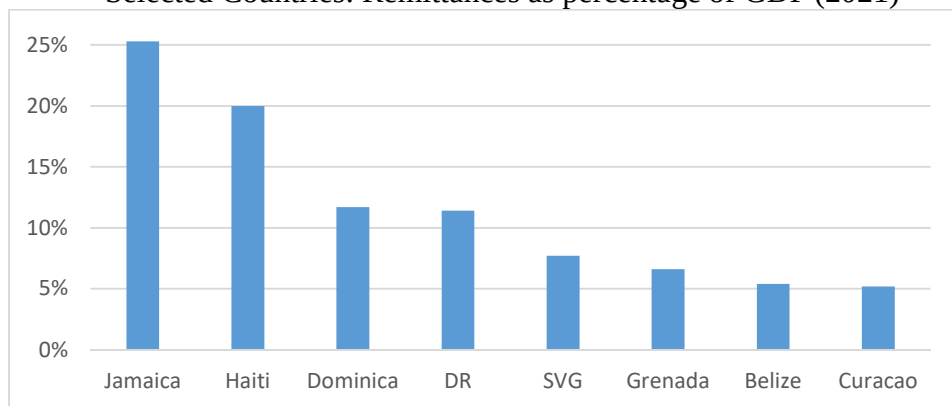


Figure 4: Peculiarities of Caribbean Economies: High Levels of Remittances
 Selected Countries: Remittances as percentage of GDP (2021)



Caribbean economies are generally small and/or island and have large ocean areas. Some are highly indebted and/or crime dependent based on drug trading and scamming. Where an entire economy is not crime dependent, some communities may be. Over the last 50 years, some countries have benefited from a demographic dividend. In Jamaica and St Lucia, the working age population rose from less than 50% to more than 70% of the population. The trend is now more in the opposite direction.⁴

Caribbean economies closest links are to the declining centres of global hegemonic power through communication systems and infrastructure, culture, education, entertainment, finance, media old and new, migration, remittances, transportation links, trade, tourism and the like. This provides challenges as the most dynamic economies are distant and geopolitical issues are ever present despite possibilities of an increasingly multipolar world.

⁴ Along with remittances, the demographic dividend partially explains how Jamaica was able to improve its macroeconomic indicators. The demographic dividend from China’s one child policy also partially explains why it topped growth rates in Asia. If not initially misguided, the persistence of this police has left China with the challenge of a rapidly aging population.

Lessons for the Caribbean

China effectively scanned the local and Foreign Environment. Finance is one example. China recognised that it would suit it to have a financial centre and not just depend on New York, London or even Hong Kong or Singapore. China: Planned with a system-wide scope. This involved the multiple sectors and agencies that changed Pudong from a sleepy village into a global financial centre. Similar developments took place with respect to its programme of industrialisation. This brought China success in one industry after another, thereby ensured that it has been able to utilise its resources effectively.

China's movement towards a Lewis path was an uneven process. China did not just jump on to a Lewis path with the opening up after 1979, which usually gets all the attention. There had been important changes prior to this. This included land reform, which Lewis saw as an essential step for the transformation. There were twists and turns in China's land reform but it was a foundation for what came later. Another Lewis task, a significant rise in the national rate for savings and investment occurred before the opening up. It is also important to note achievements in areas such as education, health and the planning capacity of the state. (Maddison, 2007)

In doing a Lewis type environmental scan for Jamaica, I have considered some of its successful products. It is important to see not only the possibilities that each product presents but also the linkages. Note that in the composite picture (Figure 5) the reggae artist Bob Marley is playing football and the athlete Usain Bolt is executing a popular Jamaican dance move. Walkerswood, Juici and Appleton are agriculturally based products. Later I explore possible links with tourism suggested by the beach. These products can also be linked to the wider world suggested by the two of the Caribbean's global icons. Lastly, the sun shining on the beach, suggests an alternative energy potential.

Figure 5: A Local Scan of Jamaican Products



With respect to this local scan, I note that from the 1950s, Lewis saw revolutionising agriculture as key feature to development. In this Jamaica has failed. Nevertheless, there are many contemporary opportunities but they require no less planning now than he suggested was needed long ago. Only an effective state agency can prevent the conversion of agricultural land to housing. Similarly only such an agency can establish a social partnership to determine the uses appropriate for each type of land. For example, should Jamaica learn to grow more sugar again or continue to import molasses from Brazil to make rum? What types of food should Jamaica grow for local consumption and what lands are suitable for supplying the tourist industry with food or inputs for agro industries like Walkerswood?

Tourism needs a rethink. As currently configured, Jamaica’s tourism contributes to the strengthening of multiple foreign and some local brands. Tourists that stay in Spanish hotels in Jamaica are probably more likely to book future vacations in Spanish hotels located elsewhere than they are to seek out Jamaican products, when they return home. Tourism could do more to create linkages with other sectors well beyond having farmers supply food to the hotels. The Caribbean is a cultural superpower, the Caribbean also has a large diaspora and the Caribbean interacts with many people from other countries via the tourist industry. By adopting a systemic approach, the region can take advantage of these realities. There are possibilities in scaling up the output of speciality products. The Caribbean is small, its future is unlikely to be in the mass production of commodities. The target must be the high value products and the high end of the value chain.

Every tourist that comes to Jamaica should get an opportunity to be “Jamaicanised”. On returning home, the tourists together with the diaspora would then provide a platform for Jamaican exports. Products from Jamaica like Walkerswood spices, Juici patties, Appelton rum and reggae music could then spread beyond these groups to wider sections of the population in the countries where they live. The export of more uniquely Jamaican products could also create a feedback loop with tourism. More people who experience Jamaican products may wish to visit as tourists. Meanwhile, the tourist product could be further transform to be more culturally and community based. The link between tourism and energy transform is a further opportunity. For example, tourist facilities with their large surface area roofs are candidates for the generation of solar electricity.

Franchising Opportunities

I consider the example of franchising as the Caribbean has some good products but is far behind where it should be. I consulted various internet sites to compile Tables 1 and 2. I do not cite any of these but they include the home cites of brands and other sites promoting franchising opportunities. My research was limited and the details may not be very accurate although the trends are clear. In addition, I have not included some brands such as Marley coffee due to my ignorance of their achievements.

Table 2: Nine Caribbean Fast Food Brands

Brand	Product	Launch	Origin	Franchise	Since	Outlets
Chefette	Chicken+	1972	Barbados	No	NA	15?
Golden Krust	Patties+	1989	Ja in USA	Yes	1996	125+
JerkQzine	Jamaican	1978	Ja in USA	Seeking	?	1?
Juici	Patties+	1978	Jamaica	Yes	2020	60+
Island Grill	Jamaican	1991	Jamaica	No	NA	16+
Mothers	Patties+	1981	Jamaica	Seeking	?	23+
Rituals (& Allied)	Coffee+	2003	T&T	Yes	?	84+
Shiver Caribbean	Frozen Desserts	2014?	Bahamas	Seeking	?	?
Tastee	Patties+	1966	Jamaica	Not Now	?	50+

Within the Caribbean it is possible that Trinidad and Tobago’s Rituals Coffee House and associated local brands is the largest franchiser with over 80 outlets. Despite this, I have not seen where Rituals is trying to move beyond the Caribbean. Meanwhile Golden Krust, which is a Jamaican diaspora brand, appears to have the largest operation in the USA with 125+ franchises. While this is a start it pales against the number of foreign franchises in the Caribbean. Given the size of foreign markets the Caribbean should be doing better. Without an effective state capacity to promote such developments this is unlikely to reach its full potential. In addition, there needs to be a rethink on target markets as the growth in the consumer class has shifted to the rapidly developing emerging markets.

Potential for Cobranding

At the Beijing Olympics, Usain Bolt projected a brand for himself in the picture to the right of Figure 6. He projected Jamaica by holding the flag and Jamaican culture by celebrating with a popular dance move in the picture on the left. In all three pictures, he promoted the shoe brand. The question is: where have the Caribbean franchises been when Caribbean super athletics brands have been on display?

Figure 6: Usain Bolt Branding at the Beijing Olympics in 2008



The media takes an interest in what persons like Bolt eat. His statement that he ate 1,000 McNuggets in Beijing was widely reported. The internet has many images of Bolt with food including pictures of him with McNuggets at the Rio Olympics. I did not find a picture of Bolt with Jamaican patties. None of this is a criticism of Bolt. He has earned the right to eat anything he wants and to promote any products he wishes. My point is that the Caribbean must re-think how it views its products.

Table 3: Seven Global Fast Food Brands

Brand	Product	Launch	Origin	Outlets
Mixue	Ice Cream+Tea	1997	China	>45,000
McDonald's	Burgers+	1950c	USA	>42,000
Wallace	Burgers+	2009	China	>20,000
Starbucks	Coffee+	1984c	USA	>40,000
Luckin	Coffee+	2017	China	>18,500
Tim Hortons	Coffee+	1964	Canada	~7500
Costa	Coffee+	1971	UK	~4000

Looking at some of the biggest franchises in the world, two things are evident: the size of the markets and the fact that despite a late start, China has moved ahead of Canada and the UK. In terms of outlets but not sales, China's Mixue (ice cream and tea) is the biggest global franchiser. It has over 45,000 outlets with most in China and the Asia Pacific region. The USA's McDonald's is a close second.

Bridget's Sandals: A Fashion Product with Potential

Bridget's Sandals is another good Caribbean product. Based on information from a website which does not appear to be current, Bridget's had only six Caribbean and one USA outlet. In addition, there was ambiguity regarding Bridget's vision as international or limited to Caribbean and diaspora markets. The historically British shoe brand, Clarks, is iconic in Jamaica. Currently, primarily manufactured in Asia and now Chinese owned, Clarks still has its headquarters in England. If Jamaican's wear British shoes made in Asia why shouldn't the world's people wear Jamaican shoes also made in Asia. The question for Caribbean manufacturers of specialty products is do they wish to design and manufacture for a

Caribbean market or design for a global market and leave the manufacturing to others. Brands like Apple show that the big money is at the design and branding end of the value chain.

It is even possible that there already are international knock-offs of Bridget's as there are in Jamaica. For Jamaica's economy, it would be ideal if Bridget's kept the local manufacturing team for prototype production, custom made one-offs for celebrities and sales to those willing to pay high prices for the privilege of wearing hand crafted items. This is also important to avoid de-skilling. Whereas commodity scale manufacturing may not be widely possible, it is important to maintain the ability to manufacture where possible. An Asian partner could do the manufacturing for the global market. There would also need to be work on automation, bearing in mind that robots will eventually be involved in making nearly if not all mass produced goods.

The choice is Bridget's but her dilemma highlights a Caribbean problem. If Caribbean private business people do not enter the big times and there is no appetite or capacity to build an effective state capitalist sector in the Caribbean as China has done, the Caribbean will be playing in the small league and its people will face more limited horizons. Caribbean producers who wish to go to the next level will need the assistance of state agencies designed to meet this challenge.

China Excelled at Managing Foreign Capitalists

Aside from the fact that Lewis's position on foreign direct investment has been widely misrepresented, the subject is sufficiently important for me to outline his views on the matter. Within mainstream economics there is a myth that foreign direct investment is the key to develop poor economies. Lewis had a different view. Cross border investments can play an important role but Lewis underlined the need to manage foreign capitalists.

The foreigner's most useful contribution ... is not his capital but the new techniques he brings. The role of the foreigner is ... tutor ... from dependence on whom one wishes to escape at the earliest possible moment ... That is way foreign businessmen should not be allowed into the country unless they play their part in training local people to do their job. (1953b, 21, 25-26)

Here we can see why those, who feel that the USA and Western Europe have the right to rule the world and live at a higher standard of living than the global majority, despise the policies pursued by China. They want the rest of the world to accept foreign investment and get nothing in return but the low wages earned by workers and the damage done to the environment. China said if you want to make profits from our market you have to share your knowhow.

A test of a successful policy towards foreign investment is not how rapidly the economy grows but how quickly locals can learn to grow their own economy.

The crucial test of industrialisation policy is not how ... it increases employment or output, but how rapidly it builds up local enterprise ... There are simply not enough foreigners available to initiate all the development ... possible. (1953b, 26)

The Caribbean has ridden multiple cycles of booms. In Jamaica, these included Sugar, Bananas and Bauxite and now Jamaica survives on Remittances. During booms, if the capacity to innovate remains under-developed the bust cycle follows. Another lesson is that foreign capital is only interested in certain types of exploitation. Each country needs local enterprise to fulfil its multifaceted needs. Beyond this, there is a second developmental test. A country passes the second test when it starts exporting as much capital as it imports. With respect to new investment projects (rather than mergers

and acquisitions or loans) China crossed this threshold in 2020 (Wildsmith, 2024). China is also now the country with the highest number of innovation clusters within the global top 100 (WIPO, 2024).

China Excelled at Growing the National Business Classes

What then did Lewis see as essential for development? Above, I have noted that China was successful in raising the rate of savings and investment prior to the opening up after 1979. From a techno-economic point of view, Lewis saw this as essential for development.

The central problem in ... is to understand the process by which a community which was previously saving and investing 4 or 5 per cent, of its national income or less, converts itself into an economy where ... saving is running at about 12 to 15 per cent, of national income or more. This is ... because the central fact of economic development is rapid capital accumulation (including knowledge and skills with capital). (1954, CP, 920)

Being a political economist, Lewis did not stop there. He also considers the socio-economic basis on which such a change could take place.

Behind this analysis also lies the ... problem of the emergence of a capitalist class, that is to say of a group ... who think in terms of investing capital productively ... What causes a society to grow a capitalist class is a very difficult question, to which probably, there is no general answer. Most countries ... begin by importing ... capitalists. Many ... are growing a class of state capitalists who ... are determined to create capital rapidly on public account. (1954, CP, 924-5)

Talent Is Not Enough

Figure 7: Three Women in Popular Music



Pictured from the left is the Jamaican Shenseea who has a Korean father. Her single “Hit and Run” (Featuring Masika and Di Genius) has over 112 million YouTube views. Next is Lisa the K-Pop (K for Korean) Idol from Thailand. Her single “Money” has over a billion views. Third is the Jamaican Roman Catholic religious sister Mary Ignatius Davis. I do not know how many views she has but some credit is due to her for those of Don Drummond, the Skattalites and many other outstanding musician whom she taught at Alpha Boys School. You may wonder what this has to do with Lewis.

Lewis believed in education, training and learning by doing. As he advocated, China sent many people abroad and invited in those who could train local talent (1944, CP, 609, 1953, 26-7). The

Caribbean needs to better understand that there is more to success than raw talent and determination. As Lewis complained in his comment on Jamaica's first development plan. "There is no mention of training the people who must run the show" (1944, CP, 609). It has not been possible to cover this important area which also relates to the developing an appropriate innovative capacity.

What I can note is that the Caribbean needs more educators like Mary Ignatius and more institutions like her Alpha Boys School, and I am not just referring to music. Shenseea may or may not have more talent and natural appeal than Lisa but Lisa started dancing aged four, and became a K-Pop trainee from age 14. Without endorsing the K-Pop trainee system, I note that Lisa would have studied music, dance and languages acquiring fluency in Korean and English as well as basic knowledge of Chinese and Japanese. Her multilingualism is typical of a K-Pop idol being part of the training for singing in multiple languages as well as interaction with fans from target markets.

Development requires multiple capacities in the state, business, professions, workers and farmers. Environmental scanning requires capacity to foresee industries that will not vanish in the near future and to understand the nature of future work. Successful societies must have the capacity to build social coalitions and constructive compromises. Taking off from my metaphoric discussion of popular music, I note that there are multiple capacities required for a successful Lewis path.

Goals of a Lewis Path

In closing, I note that there is an issue as to what are the goals of a Lewis path. To his credit, Lewis was conscious of the challenges involved in pursuing growth. His 1955 book has an appendix, which explores the question as to whether economic growth is desirable. Lewis argued in favour of growth for various reasons but explores issues relating to the goals which societies should pursue. His most convincing argument for growth which remains valid today is that a large number of people still live in absolute poverty and without growth they will remain there. China lifted 800 million people out of absolute poverty. The question still remains as to how much growth and what kind of growth as not all growth reaches the poor. Growth initially proceeded, in post-1979 China, based on an unswerving pursuit of a higher Gross Domestic Product (GDP). The most highly publicised negative impact of this was the "Airpocalypse" which saw the rise of particulate matter in the air over Beijing reaching levels which were both unpleasant to live with and dangerous to health.

I have often thought that the GDP along with GDP per capita as a measure of human welfare was one of the most dangerous invention of the 20th century. In relation to the hydrogen bomb, it creates the myth that if we manufacture more bombs and other weapons of mass destruction we are improving human welfare. In fact standard economics text books suggest that national defence rather than being a public "bad" (as we all lose when resources are wasted), it is a public "good" because every citizen can enjoy it without diminishing the enjoyment of other citizens. Rather than telling us that we benefit by building peace, the story is that we are better off due to increase in GDP per capita generated by the strategic doctrine of mutually assured destruction with its appropriate acronym MAD.

In addition to the environmental degradation that was experienced in China, there have been negative social consequences including those associated with the migrant labour system. It is commendable that China was able to significantly reverse the dangerous air quality situation in seven years where some developed countries achieved similar results in three decades. It is also commendable that China leads the energy transitions. Yet, both results suggest that in embarking on rapid growth, it should be prevention of negative consequences that ought to be the focus as this would avoid the need for a cure. The goal should be to achieve as much growth as is required while at the same time avoiding the negative side effects, perhaps a somewhat nebulous formulation.

To make this more concrete societies need to come to terms with a notion of the good life which has more to it than the accumulation of artefacts. This is especially true where the creation of these artefacts come at the expense of what is truly valuable. That is people to people relationships, the relationship between people and their environment, and of the natural environment itself. Societies need to understand the services which nature and society provide to the economy and must be careful not to destroy them in the rush towards growth (Folke, 1991; Figueroa 2002). The dilemma is that the global poor are anxious to benefit from the achievements of human ingenuity but the rich seem unwilling to restrain their consumption or transition to new technologies. Meanwhile, global temperatures have exceeded the 1.5 °C rise targeted by the Paris Climate Accords. The debate continues but it needs to be resolved before the planet becomes unliveable.

Appendix: Lewis Distinguished from the Fei-Ranis Model

In developing their model, Fei and Ranis drew, in part, on Lewis's most famous article, "Economic Development with Unlimited Supplies of Labour" (1954). Lewis's article contained a set of models framed in the political economic traditions of the classical economists. In contrast, Fei and Ranis adopted the techno-economic approach of the neoclassical economists. This meant that their model could not capture the socio-economic insights of Lewis. Ironically, there has been a negative consequence of the attempt by later authors to honour Lewis by attaching his name to the Fei-Ranis model. Generations of students have learnt little about Lewis's ideas as their teachers presented the Fei-Ranis model as if it was the essence of what Lewis had to say.⁵

In my 2004 article, "Lewis versus the Lewis Model", I make clear what Lewis was trying to achieve with his models and how this distinguishes him from the work of Fei and Ranis. Lewis set out to consider "what can be made of the classical framework in solving problems of distribution, accumulation, and growth" (1954, CP, 901) Fei and Ranis placed their discussion within the modernisation tradition of Rostow (1956) and suggest, "the heart of the development problem lies in ... shifting of the economy's centre of gravity from the agricultural to the industrial sector through labor reallocation" (1963, 283).

Fei and Ranis use the term sector in a technical sense. They distinguish two sectors based on the types of activities in which persons are involved. That is in agriculture or manufacturing industry. Lewis's main interest was in socially distinctive sectors. That is a capitalist sector and a non-capitalist sector. Lewis's distinguishes these sectors based on the relationships between the persons involved in economic production. Non-capitalist production could take various forms. In agriculture, it may for example include independent peasant farmers who owned their own land, those who own no land and pay rent to landlords or a range of other forms. In manufacturing, it would include independent artisans engaged in handicrafts production. Capitalist production would involve wage workers employed by capitalists who seek to make a profit. For Lewis it did not matter whether the capitalist production included agricultural or manufacturing activities. Lewis recognised that in most cases manufacturing industry would grow relative to agriculture but that was not his main point or interest.

⁵ In developing their model Fei-Ranis made no claim to nor do they present Lewis's range of insights (Fei and Ranis, 1963, 1964; Ranis and Fei 1961, 1963), After the initial publication of their model, it is cited as the "Ranis-Fei model" (Oshima, 1963). A Google Scholar search only reveals two references to "Lewis's model" rather than a "Lewis model", prior to the work of Fei and Ranis (Bauer, 1956; Cumper 1963). Reynolds 1965 is the first reference that I have found to a "Lewis model" and he cites (Lewis 1954, 1958). He refers to "Lewis type models" to include the work of Lewis and Fei-Ranis. I cannot say when the notion of a Lewis model that conflates Lewis with the Fei-Ranis model first emerged. Note also, there were earlier discussions of dual-models which often centre more on the work of Boeke (1953) than that of Lewis.

Given the prevalent misunderstandings regarding Lewis's perspective, I painstakingly documented the policies that Lewis proposed for 1950s Caribbean as an exemplar for the labour surplus economies (Figueroa, 2019). In doing this, I drew on the few interactions that I had with Lewis and the many that I have had with more than 15 persons who had worked with him, had been one of his students or was a close family member. In addition, I examined over forty of his published and unpublished works. This involved reviewing more than 15 archival and special collections of correspondence, minutes of meetings and other relevant documents. I have also studied and presented on his prescriptions for the land abundant economies of which Ghana was his main exemplar. A number of my papers provide insights of into Lewis perspectives for this case (Figueroa, 2004, 2009, 2019).

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