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**PLANTATIONS AND REGIONAL
DEVELOPMENT:
CASE OF CARDAMOM PLANTATIONS IN
KATTAPPANA, KERALA, INDIA**

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ABSTRACT

Plantations are generally considered to be the seat of agrarian capitalism; creating an enclave economy, trapping the resource and labor of a peripheral region. The mainstream academic discourse proposes that the plantation sector and regional development are antagonistic and rules out the role of plantation as an agent for the socio-economic and cultural development of an infrastructural deficient, land locked, hilly area to have development indicators comparable to the valley regions surpassing the geographical disadvantages. The regional development of Kattappana and its link with production and trade in cardamom stands paradoxical to the mainstream theoretical engagements relating to the interconnectedness between plantation and regional this paper is an attempt to understand the role that cardamom as a staple of the region has played in the development of Kattappana and to identify the potential threats to this model of development.

Introduction

The domain of academic discourse on economic and regional development since the early days of theoretical engagements in political economy to till date have made great contributions in understanding the development trajectories of different economic systems around the globe. Agriculture or primary sector development is considered to be the cornerstone of most of these theoretical engagements. Agriculture was a major source of exports and the resulting command over these sources possessed by the developed countries played a strategic role in facilitating modern economic growth (Kuznets, 1961). Globally plantations occupy an important position in the agricultural systems, but paradoxically are considered to be a retarding force for the development. These propositions stem from the dependency school of thought on plantation agriculture which views plantations to be the seat of agrarian capitalism, creating enclave economies and hence trapping the resource and labour potential of an area, usually a peripheral region. The inter connectedness between plantation and regional development or the role of plantation in inclusive growth (Joseph, 2010) and its potential in generating livelihood options are completely neglected by the aforesaid academic engagements. This paper is an attempt in understanding the role of a plantation crop (cardamom) in the regional development of an infrastructure deficient and land locked region (Kattappana). Thus is a case study in analyzing the role of plantations in the regional development. The paper is divided into three parts. The first part provides an analytical framework in

understanding the role of plantations in regional development, the second part deals with the theoretical framework of staples thesis which looks into the role of natural resources in regional development. The third part looks at the regional development of Kattappana within the framework of the staples thesis, wherein the role of the staple of the region (cardamom) in the development of the region is examined.

Analytical Framework

Plantations and Regional Development

Plantations and regional development are often considered to be inversely related. Plantations are generally defined as the western capitalistic form of agriculture with the features like the production of cash crops, marketing under the strict management, regular usage of the wage labour on a large scale, large tracts of land under the disposal of the planters etc (Baak,1992) It is also considered to be an agent of resource extraction and exploitation of land and labour of the peripheral regions and as a remnant of colonial legacy of extractive agrarian capitalism; which is a transition from the pre-capitalistic to the capitalistic mode of production (Raj,1985). These rhetoric terminologies encapsulating the ideologues of the dependency school of thought; essentially views the plantations as the geographical spaces producing cash crops, owned by the capitalists who are settlers elsewhere and as a mode of production which perpetuates inequality and retards the development of a region and prosperity of the people. The theoretical engagements of this kind ignore the positive correlations between plantation and regional development. Myrdal (1968) considers plantation as a process of industrialization; which are large scale capital intensive, highly specialized commercial enterprises employing wage labour and near to the concept of a modern factory with components like production for market, capital intensive in nature, high degree of specialization. As against the views of dependency school of thought in the academic discourse on plantation development, many theoretical

and empirical works especially in the Indian subcontinent and South Asia, illustrates the role of plantations in regional development. Analyzing the plantation development in Malaysia, Courtenay (1980) asserts that the plantations have played an inevitable role in the development of Malaysia since 1970's and he opines that neither the local ownership of plantations a necessary nor a sufficient condition for them to play a substantial role in the economic development. The Malaysian experience in Courtenay's angle portrays how plantations have played a major role for the regional development not only as a contributor to the GNP (Gross National Product) but also as a highly labour absorbing sector and as a creator of market for the local goods and services. Peiris (1996), analyzing the role of plantations in Sri Lankan economy asserts that the expansion of the plantation agriculture is considered both as the cause as well as the result of the transportation development, the nodal points of the roads and rail network attracted tertiary economic activities like government administration, services in health care, education, commerce and trade. Similarly, Karunatilake (1971) while tracing the links of plantation agriculture and urban economy emphasizes that the plantations were closely associated with the urban economy, where the development of roads, railways, posts, and telegraph system was associated with the need to ensure better communication with the plantation economy.

South India especially then Travancore (amalgamated to form Kerala) has a history of over two centuries of plantation development. Many scholars argue that plantations played an active role in the economic and infrastructural development of Travancore. Historically plantation sector has been considered as an instrument of modernization, as it helped the opening up of the underdeveloped areas and creation of social overhead capital (Joseph, 2010). The development of transportation systems and other infrastructure systems in Travancore and its link to the plantation sector is evident from the writings of Bourdillion (1893), Munro (1880) and Mateer (1883). Baak (1992)

states that the infrastructural development of the region had a direct link with the condition of the plantation crop wherein; if the crop found a good market, the government was in favour of the infrastructural development of the region and if those crops fetched a low price, then the investments on roads and other facilities of the area was lower.

Staples Thesis

The relationship between natural resources and the regional development has been identified as a neglected area in the economic geography (Aunty and Walker, 2001). The philosophical and the theoretical foundations of models based on economic geography and that of location advantages; provides a framework to understand the interconnectedness between the regional development to the geography of a place and natural endowments. Staples thesis, is a theoretical and analytical structure which correlates the regional development to the export earnings from the staple of a region. The staples thesis of economic development is a neo-classical concept put forth by the Canadian political economists Harrod Innis and W.A.Mackintosh; who established the relationship between the economic and regional development of Canada to the exports of staples from the country. It is considered to be a special case of a trade theory. A staple according to the theory is any product of an economy which dominates its exports. The staple theory, which has been identified as one of the Canada's unique contribution to the international development literature, integrates the physical geography of natural features with a theory of economic linkages to explain the spatial pattern and institutional structure of developmental process in the regions (Watkins, 1963, 1977).

Economic development in a staple economy is considered to occur around an export base, which is the resultant of the spread effects out of the profits from staple. A staple as defined by Douglass North (1985) is the chief commodity produced by a region. According to the thesis, the growth of a staple economy is said to be initiated with the increased

demand for the staple export, the increased pace of development of the export sector will lead to the development of the domestic sectors due to the spillover effects of the former, thus leading to the increase in the demand factors also. In its simple form, staples thesis deals with the export lead growth based on staple products. Staple products are defined as being based on natural resources extraction and requiring little in the way of processing prior to industrial countries where they are used in the production of manufactures products (Bertram, 1967). In such an economy growth is said to happen on the basis of the investment coming into the staple extraction and the spread effects of the staple development. The spread effects can be divided into four categories: forward linkages involving processing of the staple to export, backward linkages involving the production of the inputs such as the resource machinery and transportation infrastructure that is required to extract the staple and finally demand linkages involving the production of consumer goods and services to meet the regional needs of those who are employed in the staple industry and fiscal linkages involving the expenditures of rents and profits generated by resource production (Watkins, 1963,1977). When an economy proceeds in the development path via staple lead growth, in the initial phases the economy expands and will be able to achieve the external economies of scale, which can take the economy to the next step of a non staple lead growth; these developments are as a result of the spread effects associated with the resource extraction. Overtime, the regional economy can become decreasingly dependent on the narrow staple export base and growth can be self sustaining (Thomas. 2003). Staples thesis is sometimes stated as a ‘disaggregated multiplier-accelerator¹’ mechanism mainly because of the increased income and the employment levels generated out of the investments made into the export sector. Hirschman (1958) states that, the inducement to domestic investment resulting from the increased

1 Watkins H.M. (1963) A Staple theory of Economic Growth, Canadian Journal of Economics and Political Science.

activity of the export sector can be broken down into three linkage effects: backward linkage, forward linkage, and what shall we call as the final demand linkage. Backward linkage includes the investments to the intermediary inputs, which are mainly for the expansion of the export base. The theory and the history suggests that the most important example of the backward linkage is the building of transport systems for collection of the staple, for that can have further and powerful spread effect, forward linkage is a measure of the inducement to invest in industries using the output of the export industry as the input, the final demand linkage is a measure of the inducement to invest in domestic industries producing consumer goods for factors in the export sector. Its prime determinant is the size of the domestic market, which is in turn dependent on the level of income – aggregate and average – and its distribution (Watkins 1963). However, a main point of concern is that the staple lead growth is highly a function of factors like the production function, the technology used, the quantity and the quality of the resource endowment and also the institutional agents around which the staple is developed. On the basis of these functions and their importance, there are two major schools of thought whose views are identical but differ in some aspects. The first one is the dependency school of thought which argues that the staple development and the greater reliance of the economy on the staple will create a staple trap for the economy where it will block the natural growth of the economy. On the other hand, the comparative school of thought argues that the dependence on the staple crop of a region in the later phases would take the economy to the path of sustained development. The former school is closely associated with Innis tradition of the staple thesis.

The main postulates of the dependency school is that the extraction of the staple requires large cost which may not be possible for a regional economy to bear, which will have to look for foreign investors out of the regional boundaries which in turn will take away the benefits emerging out of the linkages created by the staple extraction. The locational bias

of the foreign owned firms results in the creation of a truncated economy that lacks processing linkages, backward supply industry linkages and higher order management and research development functions, Income earned from staple economy in the form of payments of profits and dividends will go to the foreign owners and thus the final demand and the fiscal linkages are therefore also under developed (Thomas, 2003). Besides this, the staple demand is seen as a factor which is highly volatile to international commodity markets in which price fluctuations are caused due to the elastic demands, which will lead to the instabilities to the regional economy. The government as per this line of thought is seen as that of a facilitator for providing the cost reducing strategies for the foreign owners as the government is assumed to have the weakest bargaining power in a staple economy. The role of government in staple regions is restricted to facilitating staple development by supplying subsidized high cost infrastructure to extract the staple and providing access to staples on high favourable terms (Aitken 1959, Clark –Jones, 1987). The weak bargaining power of the government is said to create situations like accelerated outflow of the fiscal linkages form the staple earning which will be detrimental to the staple region on one hand and will lead to the development of some other region indirectly. With these assumptions, the dependency school argues that the staple economy in the long run will be in a condition called the ‘staple trap²’ where the sustainability of the economy will be highly dependent on the staple crop. The pessimistic conclusion of the dependency school is that the staple lead growth is high risk development strategy that cannot provide the basis for sustained growth (Thomas 2003).

The comparative advantage school of thought is much optimistic about the staple lead growth through the assumptions that it can be a sustainable developmental strategy for the staple regions. This line of

2 Watkins H.M. (1963) A Staple theory of Economic Growth, Canadian Journal of Economics and Political Science, P 151.

thought aligns with Mackintosh staple tradition. Mackintosh (1964) stressed the need for the foreign investment and encourages the entrepreneurship and technology for accelerating the developmental process. To him “Without such borrowings and adoptions progress is inevitably reduced to the slow pace of domestic accumulation of savings and the development of local inventions”³. Hirschman (1981) through his development of the synthetic analysis also made the conclusion that the staples can provide the basis for the sustained growth if the income from the staples is retained by the regional economy and invested wisely. The international debate on the staple thesis however have also yielded results in a third line of thought which believes that staple lead growth of an economy would only be sustainable if the pessimistic assumptions raised by the dependency school are taken care of in such a way that it would not retard the growth of the region. Staple lead growth had higher net benefits, regions should therefore concentrate their efforts on the staple sector to exploit the advantages to mitigate the problems of staple-lead growth, through a process of learning by doing, staple region could achieve success (Watkins, 1963).

Academic discourses on the sustaining staple growth emphasizes mainly on the expansion of the economy around the staple and then the diversification of the production as demanded by the markets; which Kindleberger calls as “capacity to transform⁴”. This idea of diversification roots from the fact that production of certain goods (export oriented) can generate profitability but only for a short term. Over the period, the profitability ceases either due to the diminishing returns on the supply side or the adverse shifts in demand consequent to competition from cheaper sources of supply side or from synthetics or because of the

3 Mackintosh, W.A., (1964), *The economic background of dominion-provincial relations*, P 13.

4 Kindleberger C.P, (1962), *Foreign Trade and National Economy*, Yale University Press.

income elasticity of foreign demand or simply because of the changes in the taste (Martin, 2002). This kind of an uncertainty related to the staple economy leads to the contention that staple economy is always at the mercy of the destiny. Sustained growth requires the capacity to shift the attention to new foreign or the domestic markets. The former requires a favourable combination of external demand and available resources, the later requires a population base and level of per capita income permit taking advantage of scale in the modern industrialization (Hoover, 1965). These factors require the factors like the institutions and values which are consistent with transformation and also equally essential is the fact that it needs a good fortune which will avoid the specialization in a wrong kind of staple. If the pitfalls are avoided, if the staple or the staples generate strong linkage effects which are adequately exploited then eventually the economy will grow and diversify to the point where the appellation “staples economy” will no longer suffice (Watkins, 1963).

3. The Staples framework and the Case of Cardamom in Kattappana

Cardamom and its importance to Kattappana

Kattappana is under the administration of a village panchayat and is divided into 22 wards and has a total population of 42646 (Census 2011). Out of the 22 wards in the panchayat, the 16 and the 15 wards namely the Kadamakuzhy and Vallakkadavu are extensively involved in the production of cardamom. The agrarian structure of the panchayat is composed of cardamom occupying the greater part of the pie followed by pepper, cocoa, tapioca, banana etc. The economic relations based on cardamom of the place rise out of two categories: the first one comprised of people who are directly related to cardamom like the small and marginal cultivators, large scale cultivators and a larger labour force and the second who are indirectly dependent on the spice like the various agents in the service sector of the place. The total geographical area of the panchayat is 6020.83 hectares which includes the Patta-Land, Non-Patta Land, Purayidam, Nilam, Purampokeand Tharissu Lands; the area

included in the cardamom Kuthapattam land in this village is 456.55 Hectares (Village Office, 2012). The cardamom Kuttakapattam land is a government land; these government lands are given to occupiers for cardamom cultivation under the rules for lease of government land for cardamom cultivation 1961; this rules shall apply to lease of land for cultivation of cardamom in the taluk as of Devikulam, Peermade and Udumbanchola (Revenue Department, 2012). In the year 2008-09 the yielding area in the panchayat was 953 Ha and in the year 2011-12 was 1009 Ha, thus indicating an expansion in the area under the cardamom cultivation (Table 1). In the same time periods, the production in metric tonnes was 566.68 and 694 respectively.

Table 1. Cardamom Production in the Kattappana Panchayat

Year	Area (Hectares)	Production (Tonnes)	Productivity Kg/Ha	Yeilding Area (hectares)
2008-09	1425	566.68	397.67	953
2009-10	1425	494.38	525.38	941
2010-11	1425	553.70	557	994
2011-12	1425	694.00	687.56	1009
2012-13	1425	534.00	535	998

Source: Spices Board, 2012

Out of the total cardamom produced in the state, nearly 7% comes from the panchayat; when the state level productivity per hectare was 269 Kg per Ha, the panchayat level was 525.38 Kg per Ha period (Spices Board, 2009, 2010). During the accounting year of 2011-12, the total area in the village under production of cardamom was 1009 Ha (out of 6020.84 Ha which is the total geographical area of the village), which means nearly 17% of the total area under the village is meant for the cultivation of the cardamom out of which 46% falls under the category of Kuttakapattam leases (Spices Board, 2012). About 8% of the total

geographical area of the panchayat is under the Kuttakappattam⁵ leasing for the cardamom cultivation. It is being observed that the highest yielding variety of cardamom in the panchayat is the *Njallani* variety which is cultivated in 99% of the total area under the crop. The ward 16 of the panchayat called Kadamakuzhy is one among the place (the other one is Puliyanmala) which is the highest cardamom producing centre in the country (Spices Board, 2012). Cardamom is mainly cultivated in the Panchayat by the small and marginal holders, though there are a few large holders, the spice is not only cultivated in the CHR (Cardamom Hill Reserves) regions or the Kuttakapattam lands, but are also common as a garden crop which makes it impossible to have an exact estimate of the total land in the Panchayat under the cardamom cultivation (Revenue Department, 2012).

Cardamom Cultivation: A Historical Overview

The history of Kattappana is much unclear and obscure so is its relation with the crop of cardamom which dates back to the unwritten pages of the history. The available historical accounts suggest that cardamom was cultivated on a plantation basis with the initiatives of the European, John Joseph Murphy towards the end of the 1800's. The accounts of the then British officials like Bourdillion (1893) and Munro (1880) on the High Ranges of Kerala especially the present Udumbanchola and Devikulam talukas; records about the cardamom cultivation in the Cardamom Hill Reserve (CHR) region coming under these talukas. Bourdillion (1893) in his account on the *Forests of Travancore* mentions about the cardamom cultivation in the areas nearing the Kattappanayar. The presence and relevance of the cardamom in the areas of Devikulam and Udumbanchola are well documented by Munro (1880). Though the cardamom cultivation has a long historicity

5 A Kuttakapattam land refers to the state owned land which is leased out to the cultivators of cardamom under the rules for Lease of Government Land for Cardamom Cultivation (1961).

in the place, the increased production of the crop was after 1950's; though the plantation phase is considered to be from 1800-1930 (Marquis, 1991). The history of cardamom cultivation in the place is closely related with the economic and political policies of the state at various time points. The political subordinate nature of the Travancore princely state (Vargehese, 2009) to the politics of state reorientation on the basis of the languages (Marquis, 1991) are some among the various political reason suggested as causative for the changed economic relations of the landscape leading to the various phases of cardamom cultivation in the place. Yet another reason which is thought to have triggered cardamom cultivation in the place by the greater influx of the settlers,⁶ is the Grow More Food Scheme (GMFS); which was initiated to bring large tracts of land under food crops later turned out be the plantation spaces. During the early 1940's extensive food shortages occurred throughout Travancore; as a result the government opened forest lands on an emergency basis for food cultivation (Marquis, 1991). Food shortages and famines in the 1941-44 led to regular demands for the opening of the large forest areas for food cultivation, in response the government released the land under the Kuttakapattam rules⁷. In 1941 the government first granted exclusive cultivation rights in the state forest areas (Shivaswamy 1945). Available data suggests that the men belonging to the Syrian Christian community were large and were in forefront of the settlements/ encroachments during the time, who were the natives from the plains of Travancore. Most of the migration occurred in the period from 1940-1950 and most migrants were Syrian Christians from near Kottayam and Thodupuzha (Tharakan, 1978). High population density, unemployment and fragmentation of the holdings were the push factors behind the migration. Early settlers were drawn by the opportunity to

6 The term settlement is used here to denote the legal occupation of the land by the valley men under the state initiatives.

7 Proceedings of the Travancore Sri Mulam Assembly, Vol.xviii No 1, 1941, 'Demand Forests', P 399-425.

develop cardamom and tea plantations; the majority of the migrants were small cultivators who settled, planted paddy, tapioca, rubber and spice crops (Marquis, 1991); more wealthy cultivators were probably attracted by the availability of land areas suitable for plantations (Tharakan,1978).

Though the plantation development in the place has many phases, a major shift in the course of the economic and thus social and even the ecological relations of the regions around Kattappana occurred after 1980s. During the period before 1980s the profits were very minimal as the price and the yield remained to be low, the productivity was very low as the plant (cardamom) was highly susceptible to the changes in the climatic conditions and pest attacks. All these factors discouraged the new investments to the sector. During the 1970s and early 1980s most of the farmers were at the verge of abandoning the cultivation of cardamom. The drought of 1982 had added further to the misery because of which large acres of cardamom cultivation dried up. This stand still position of the cardamom production and the declining returns from it gave a stagnant growth for the economy of Kattappana, where the indicators of development remained in positions unchanged until many years. However, things had a drastic change after the mid of the 1980s, the trends of which is positively moving till date. Invention of a high yielding variety of cardamom and higher prices in the international market along with lesser competition wheeled towards a new change in the cardamom cultivation in the place as well as the regional development. As a result of this, with an upscaling of productivity, large tracts of land were brought under the cultivation of cardamom which increased not only the income of the cultivators but also the labourers due to the increase in the employment opportunities and rise in the existing wage rates; thus there was an increase in the living standards of different sections of the population who were directly or indirectly dependent on the crop. In sum, these changes acted as an upward spiral and created a multiplier effect in the microcosm of the

economy of Kattappana. The increases in income of the people lead to the investment in different spheres of the tertiary sector and also in many consumption goods. The greater trade relations build on cardamom with the plains of Travancore as well as with Tamil Nadu necessitated the building up of better roads and networking units to foster the trade. Investments not only in physical but also in social infrastructure became the need of the hour as the living standard of the people increased.

The Emergence of Njallani and the Revival of Cardamom Cultivation

Agrarian revolutions and its impacts on people and regional development is subject matter of academic and political discourses. Technological advancements are considered to be a key factor for agrarian revolutions but least considered is the usage of indigenous knowledge towards revolutionizing the agrarian relations of a place which can in turn lead to the regional development of a place. One such attempt of an enterprising farmer of the place wherein he used his indigenous knowledge of different natural varieties of cardamom to invent a new cross breed not only revolutionized the cardamom cultivation of the place but also in the neighbouring cardamom growing states. This new breed (called Njallani) which was invented by the local farmer, turned out to be a boon for the cardamom cultivators because of its features like higher yields, disease resistance, longer life span and requirement of less number of samplings during the transplantation; which reduced the cost of production drastically. Besides this, the average yield per acre of the *Njallani* was double or triple that of the traditional varieties like Malabar, Mysore or Vazhukka. Thus, these features of *Njallani* can be said to have revolutionized the cardamom cultivation of the place which resulted in the wide spread cultivation of the crop not only on a large scale basis but also as homesteads which lead to a huge increase in the number of small and marginal cultivators of cardamom; hence out numbering the large holdings under the cropping. The coming of more small and marginal farmers into the cultivation of the crop further

triggered the regional development as most of them reinvested their profits within the boundaries of the panchayat in different activities. This makes the plantation space of Kattappana unique and different from that of Munnar and other plantation spaces in the district. Hence the invention of *Njallani* acted as a catalyst for the regional development of the place.

Development of Kattappana and the Staples Framework

The journey of Koottappana (as it was known earlier which means a group of palm trees in Malayalam) to the present Kattappana with the known history of past 78-80 years is also the history of different stages of plantation development in the place and the course of socio-economic and ecological relations based on it. This development and its different stages when read in the light of the Staples thesis; parallels can be drawn between the staple economies and that of Kattappana based on the available secondary data and the field work observations⁸. While drawing parallels between the regional development model of Kattappana to that of a staple economy, it is to be noted that the place fits into the assumptions of a staple lead growth such as the favourable land to man ratio and the role of the state as a facilitator for the economic growth which is essentially agrarian capitalistic in its character.⁹ The invention of the higher yielding variety of the cardamom which acted as the catalyst for the regional development remains the only line of disagreement from the case of a typical staple economy. Apart from this, a development model of this kind also has some exceptional characteristics such as the nature of the holdings wherein unlike many

8 Based on field work done for MA dissertation during the months of April-May and October-November 2012 in the wards 16 & 17 of the Kattappana Grama Panchayat.

9 The role of state as a facilitator for the growth and the case of land to man ratio of the place during the various phases of settlement/encroachment is established by various research papers which are quoted in the article as well as used for references.

of the plantation spaces, the propertied class in Kattappana along with the majority of the labour force are natives which closes the door for the driving out of the wealth created in the region to outside; rather it gets reinvested in the space itself in different forms. Besides this, the strict rules in the CHR regions which prohibit the growth of a township other than that of the place in the nearby cardamom growing areas like Puliyanmala and Vandanmedu; turns out to be an added advantage for the regional development of the place as a large portion of the wealth generated in those areas also gets invested in the place. Hence, apart from a complete staple lead regional development; some external factors like the ownership of the plantations, rules of CHR, invention of Njallani also are favouring factors for the growth of Kattappana.

However, the developmental process of the place when read through the lens of the staples thesis aligns with the dependency (staple trap) as well as the comparative (sustained development based on staple) school of thoughts; which becomes evident from the theoretical positions and the empirics. Cardamom when taken as the staple of the region, has acted as a base for the development of the place. Nonetheless, the lack of diversification around the export base is absent in case of Kattappana whereas it is a distinguishing feature of the second phase development in a typical staple economy. Even after decades of an upswing in the developmental process, the diversification around the export base (cardamom) has not yet occurred in this place which in some way brings the concept of 'staple trap' nearer. The field views suggest that it (diversification) is least developed and there is a lack of resident industries to take advantage of the linkages created out of the trade in staple. In addition to this, the impossibility of cardamom being replaced by another crop due to the existing laws of CHR and also due to the special topography of the place along with the increasing competitions in the market and lesser prices and changing economic and trade policies like FTA's (Free Trade Agreements) and terms associated with it etc gives space for the pessimistic outlook towards the regional development

ahead. Thus possibilities that economy of Kattappana will kneel down to a staple trap because of lack of diversification leading to a negative or stagnation of the economy in future cannot be ruled out. When the prepositions of the dependency school are analyzed with this outlook, the present supply side constraints alone can take the economy of Kattappana to a staple trap. The current tendencies (census 2011) of large scale out migration of youth from the place and field views suggesting the lack of willingness of the youth to turn to the plantations, further increases the gravity of the issue.

The impossibility of an alternative means of livelihood to a huge population directly and indirectly depending on the crop and the topographical features ruling out other agricultural practices in the place; necessitates the sustainability of the crop in the region. The theoretical underpinnings of this view align with the preposition comparative school of thought of the staples tradition which looks at the sustainability options of the staple economy out of the linkages created; which will act like an accelerator-multiplier in the staple economy. In the words of Fay (1934), in a staple economy “The emphasis is on the commodity itself: its significance for policy; the tying in of one activity with another; the way in which a basic commodity sets the general pace, creates new activities and is itself strengthened or perhaps dethroned, by its own creation”¹⁰. Hence, the optimism of the comparative advantage discourse opens possibilities even to think that a better yielding variety if can be developed by the institutes like Indian Cardamom Research Institute (ICRI) can revolutionize the present situations giving a greater push to the regional development. The likelihood of such an option cannot be evaded as a similar discovery by an uneducated farmer was the factor which gave wheels to the regional development of the place.

10 Fay C.F.,(1934), Economic History, The Toronto School of Economic History, pp 168-71.

Furthermore, if the present level of the transportation (mainly build up as an externality of the staple export¹¹) can develop further, like coming of railways or any other faster modes of transport, this will also contribute immensely for the diversification of the economic activities, thus making the possibility of sustainability for the economic growth of the place with cardamom as the main pillar. Thus, it is to be thought that cardamom acted as a trade multiplier at a micro level in case of Kattappana leading to several forward linkages like creation of a labour market in the place where the people have acquired special skill in plugging the right cardamom berries and other activities associated with the production of cardamom. The externalities flowing out of this multiplier effect has lead to the investments in different sectors. In case of the backward linkages created by the staple, larger areas of the panchayat came under the cultivation of cardamom. Cardamom has thus acted as the impetus for the development of other sectors of the place like the like banking, insurance, hotels, agro-marketing enterprises etc.

Concluding Remarks

The case of Kattappana and its regional development around the export base of cardamom perfectly fits into the framework of staples thesis. However, for the sustainable development of the economy of Kattappana, the correction of the pit falls created (the supply and demand side constraints) in the staple lead growth is at most necessary; which could be a middle path taking care of the present challenges and looking out for the possibility of the sustaining the present economic system of the place. Reading in the light of the staples thesis, the middle path is considered to be a way ahead for many of the staple economies wherein the challenges raised by the dependency school and the sustainability

11 Though the physical infrastructure especially the roads were build to the region even before the active phase of cardamom cultivation in the place, the wide spreading of the road transport especially in the areas ahead of Kuttikkanam occurred as an externality of the staple trade.

options by the comparative advantage school are taken care of. In case of Kattappana, since the staple is highly susceptible to the price fluctuations in the international market, the policy initiatives at the political levels is also to be considered while thinking about the sustainability options of the present development levels. Possibilities for the diversification around the export base of cardamom should be explored and initiated with top priority. To tackle the supply side issues especially the labour market issues, improving the labour market conditions by increasing the payments, avoiding the exploitation of labourers in the hands of external agents like money lenders, regulating the working hours and providing them with the welfare measures of the PLA (Plantation Labour Act, 1951) can be some of the measures adopted to attract more people as labourers into the plantations. A sequential shift towards the organic manures can not only reduce the pesticide residue in cardamom but also can bring down the alarming usage of pesticides in the plantations which leads to long lasting environmental and health hazards. Adoption of scientific methods of farming and invention of better yielding varieties can find an answer towards increasing the productivity. In regard to the diversification around the export base of cardamom, establishment of facilities for the processing and grading of cardamom can bring in more profits and employment opportunities to the place. Other options like the eco-tourism development which includes options like plantation tourism can also be brought about. Though a few of these will require a long gestation period, it is very important for the sustainability of the economy's growth. In the opinion of Watkin, (1964), the main problem of the economy which is based on staple is that "Over the longer pull they (staple of a region) cease to be profitable either because of diminishing returns on the supply side or adverse shifts in demand consequent on competition from cheaper sources of supply of synthetics, or because of the income-inelasticity of foreign demand, or simply because of changes of taste". Thus what Kattappana requires with top most importance is what

Kindleberger calls it as “*the capacity to transform*”, which is very much required for a sustained growth which is about the shifting of the resources in accordance with the market conditions and taking the benefits for the further growth. This can only be increased by the improvements in marketing and cost reducing innovations, which the institutions like the government, the Spices Board, the ICRI etc, should take care of. If the economy of Kattappana can sustain with cardamom as the base on one hand and other related economic activities on the other hand, the case of Kattappana will remain as unique in the developmental literature as a region developed and sustained by a staple, whose improved variety has taken the whole economy into a higher level of development. Thus setting an exceptional case of a staple lead growth where the plantation crop of a region has lead to the development of the region.

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