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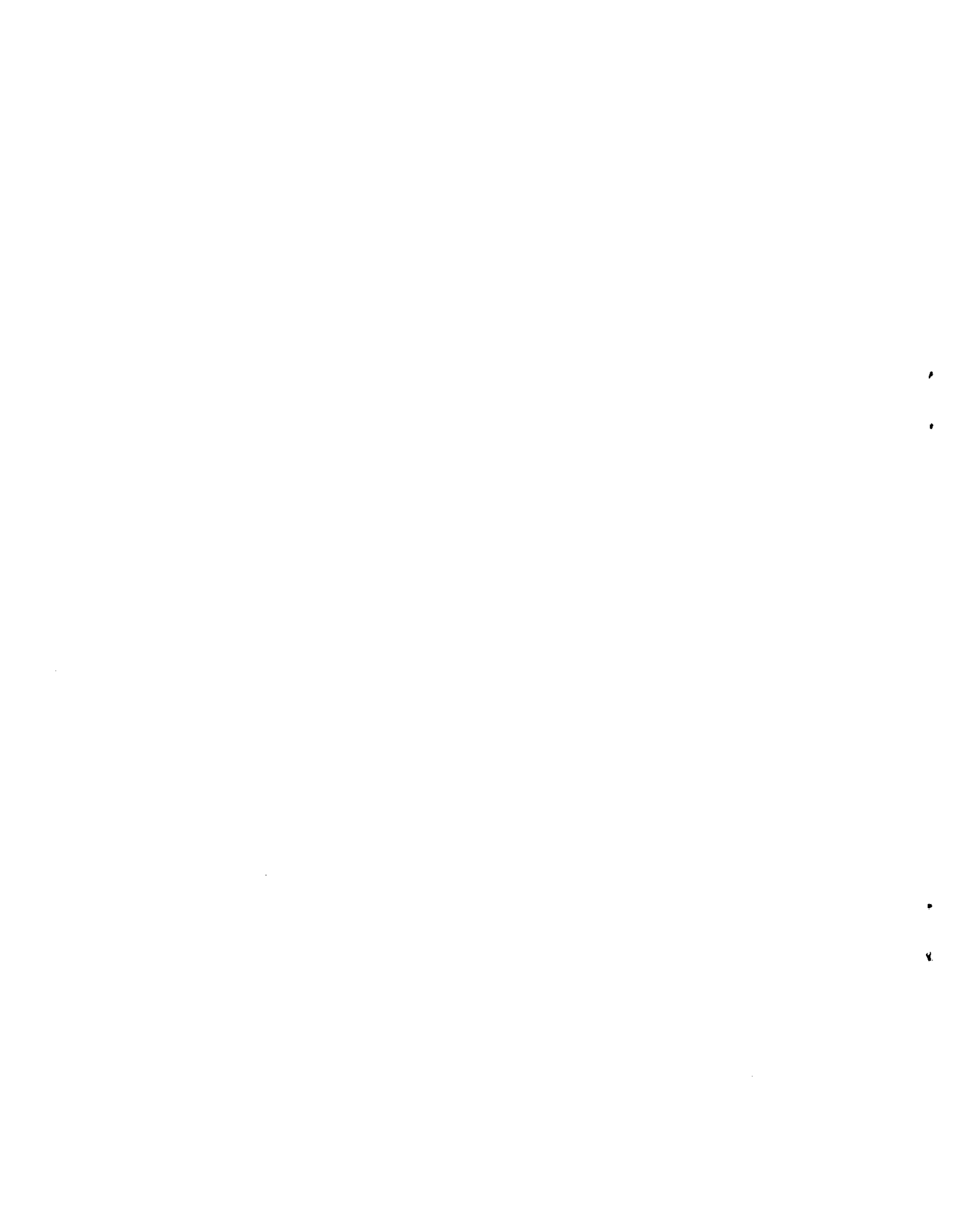
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SOME IDEAS ABOUT A STRATEGY OF CARIBBEAN  
AGRICULTURAL DEVELOPMENT DURING THE 80's

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## AGRICULTURAL SECTOR

### Some Ideas about a Strategy of Caribbean Agricultural Development during the 80's

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The Agricultural Sector in the Caribbean suffered serious setbacks during the 1970's, due to the combined influence of endogenous as well as exogenous factors. The impact of those factors is well known and sufficiently illustrated in an abundant and varied literature produced by national, regional and international sources, especially the banking institutions.

The present situation, prevalent in varying degrees among all the CDCC countries, is likely to continue throughout the 80's and even worsen with the passing of time, due mainly to increased pressure of population on available agricultural land; unless innovative, bold and practical remedial measures are quickly taken. Nevertheless, radical changes are hard to operate or even impossible to obtain in the short run - even when all the requisites are at hand - because of the very nature of agriculture and the time necessary to induce those changes. For, it implies a change of attitude concomitant with a sense of commitment at the individual, national and regional levels, which is hard to achieve; as it is so far attested by the failure or impotence of national and regional institutions created to bring about those changes. The mechanisms and instruments invented so far, have failed because apparently they did not take sufficient account of the Caribbean agrarian realities or of the Caribbean farmers' idiosyncrasies. This is why any strategy, which is proposed to change the course of agriculture in the Caribbean, must have as a prerequisite the expressed political will and sincere and clear commitment on the part of individual governments and groups of countries to follow and implement the strategy agreed upon and to create appropriate instruments and mechanisms of implementation and control. Such strategy should encourage greater private sector involvement, which experience suggests, is best done through associations of producers, which by their dynamism might be in a better position than State enterprises to bring about those changes quickly. In the following are listed some of the salient characteristics of agriculture in the Caribbean and the main constraints responsible for the overall slow growth in the production of export and domestic agriculture; if not stagnation or decrease especially in some of its important subsectors.

CHARACTERISTICS AND CONSTRAINTS OF THE AGRICULTURAL SECTORS

Born out of a similar past colonial experience or parallel historical developments that helped shape their actual agrarian structure, the agricultural sector of the countries of the Caribbean reveals in general, many common characteristics and features which in most cases act as constraints to development.

a) Deficiency of the Agrarian Structure

On one side are the large, private and public holdings or plantations, which still produce on the best available lands, the traditional export crops and use modern techniques of production. On the other, large number of small and fragmented peasant farms which constitute a small proportion of the total agricultural land strive to produce mainly the subsistence or food crops and marginally some export crops.

b) Dependency of the overall economy on rural activity

A high proportion of the total population is still actively engaged in agriculture. Thus the Sector continues to be an important source of employment, income and foreign exchange.

c) Stagnation or failure of agriculture output

Growth of agricultural output in general fails to match that of population, resulting in increasing food import bills and complicating the problem of balance of payments.

d) Failure to increase or maintain former levels of export production

Even agreed or granted international quotas have not been satisfied.

e) Lack or insufficiency of linkages

There is a noted lack or insufficiency of linkages between agriculture and other sectors of the economy, especially as far as industry, tourism and marketing are concerned. This may be due to the combined effect of the social stigma attached to agricultural work and inertia demonstrated by the entrepreneurship side.

f) Biased orientation of the education system

The orientation and content of the education system in the Caribbean militates in general against the development of the agricultural sector. There is an urgent need to establish a better linkage between the education system and the activities in the rural area.

g) Decline of Wage Labour in the Field

Quantitatively and qualitatively wage labour has been declining in the field, due in part to the unwillingness to engage in agricultural works and the lure created by relative and favourable wage differentials paid for city works.

h) Ineffectiveness of the integration instruments

There is a loss of momentum in the integration movement, induced in large part by the cumulative effect of many external factors (balance of payments problems and so forth). Consequently, the institutions and instruments created to stimulate trade and indirectly production have not had the desired impacts.

i) Impact of external tastes and standards

Those tastes and standards are not matched with locally available resources. This is definitely linked with the reticency of the commercial sector to change their commercial practices and to venture into local production and/or marketing of products similar to the lines of those they are accustomed to import or substitute thereof.

j) Insufficiency and inadequacy of tariff policies and systems

Throughout the Caribbean different tariff systems are applied. On one side, the ECCM countries and the CARICOM countries have elaborated systems of common external tariffs which in both cases are not fully implemented. Both systems provide concessions in levels and time of complete application of tariffs for less favoured countries within their grouping. On the other side, are the tariff systems in force in the rest of the CDCC countries, i.e. Cuba, Dominican Republic, Haiti, Suriname and Bahamas.

Among other things, a certain degree of harmonization of those tariffs directed at creating favourable conditions for trade in agricultural products among the CDCC countries is urgently needed.

k) Inadequacy of investment incentives

Traditional approach to credit allocation has not encouraged agriculture development. Small farmers could not effectively meet the requirements (guarantee or collaterals) to be eligible for medium, long term or even short term credits. New policies and more action-oriented programmes have to be devised to encourage and assist the small farmers and at the same time help in the establishment of local or regional agro-based industries.

In conclusion, there seems to be an urgent need to increase internal food production and at least maintain the level of export earnings.

Proposed Strategy for  
Caribbean Agricultural Development During the 80's

Because of the special and complex nature of agriculture, a general theme proposed as a strategy would not be sufficient; specific policies and programmes have to be formulated, taking into account the unique and special circumstances under which the situation has evolved for each of the following aspects or stages of agricultural development, to name a few:

- Land availability and distribution (tenure systems and pattern of land use);
- Production systems and use of inputs;
- Availability and use of services (extension, research and application);
- Farmers' education (including capacitation in the application of research results);
- Credit availability (adequacy of credit policies and systems);
- Price policies and systems of incentives;
- Trade policies (internal and external);
- Co-ordination and co-operation.

All those policies and programmes presented as an integrated package would constitute a comprehensive strategy for agricultural development or improvement.

Granted the above premises two situations have to be considered. As said before, two distinct forms of farm exploitation coexist in the Caribbean circumstances, and each one requires the formulation of a distinct strategy in order to bring about the concerted changes. At the same time, the time factor cannot be ignored for the desired changes would require different time spans to materialize.

With these elements in mind, the following preliminary ideas are offered as suggestions for themes to be included under the strategy for development of the two distinct subsectors of Caribbean agriculture, during the 80's.

#### SUBSECTOR OF AGRICULTURE FOR EXPORT

Traditionally, the big holdings enjoy easy access to supplies of main agricultural inputs and credits and generally use modern techniques of production. They usually concentrate the main operations on the part of the estate most suitable for the development of their activities while the rest of the land lay idle or in fallow.

Given those circumstances, a strategy for the improvement of this important subsector of the Caribbean countries economy could be summarized under the following theme:

#### Maintenance of export earnings levels and full use of excess land capacity for food production

This suggests the following lines of action:-

1. Revival of principal agricultural export crops and progressive diversification through the:
  - a) introduction of high-yielding varieties and related technology in order to raise the level of productivity. This would enable the countries in the area to improve the comparative advantage position they already enjoy;
  - b) phasing out of production of export crops on estate land, marginal in terms of opportunity to other uses;

- c) development of food crops and livestock on phased land.
2. Encouragement of greater rapprochement with firms and organizations working in the same field at national and regional levels, in order to:
- a) exchange research results and market information;
  - b) explore possibilities of joint actions which might lead to bilateral or regional agreements for sharing of research efforts and even joint processing and marketing;
  - c) enhance their bargaining power in the international market.

#### SUBSECTOR OF DOMESTIC AGRICULTURE

As far as this subsector is concerned, the limiting factors either of a social, technological or economic nature, which impede its development, make it difficult to suggest a clear cut strategy. However, in view of the serious food shortage experienced by the region at large on the one hand and, the great responsibility left to the subsistence sector to feed the region on the other hand, a general theme suggests itself:

#### Systematic uplifting of the subsistence sector or its full introduction into the market economy

This could be achieved through the progressive implementation of a practical programme of increase in food production, which would comprise among other things, the following measures:

- 1. Creation of favourable conditions for increased food production, which would comprise:
  - a) the design of a price policy that takes into account the approximate cost of production on average type of land suitable for the commodity;



- b) The provision of guaranteed market for the entire production;
- c) The development of adequate processing facilities to take up excess in periods of gluts and thereby extend the period of availability;
- d) The provision of supervised credits to small farmers willing to work in association. The associations may take the form of cooperatives of production, of credit of marketing or any other form which would offer sufficient collective guarantee to the lending institution on behalf of the individual member;
- e) The availability of extension services. Effort should be made to integrate within the extension scheme the traditional system of self help in honour in the Caribbean countryside ("coumbite" or "ronde" in Haiti, "coup de main" in the Eastern Caribbean and "gayap" in Trinidad and Tobago etc.) This would call for a continued search of leaders in rural communities or farmers known to be exceptionally gifted to form the on-the-spot indispensable cadre upon which the extension work could be favourably based. It is as far as extension is concerned an untapped human resource base;
- f) A scheme of subsidies which could be partly financed by the proceeds of redistributive measures: such as special tax on certain luxury imported items earmarked for agriculture or taxes on idle or abandoned land, etc.

2. Distribution of land and consolidation of fragmented holdings.

All the measures indicated above will not be sufficient to change the present situation in the Caribbean agriculture, unless they are accompanied by a programme of redistribution and consolidation of small parcels of land. Because of agricultural activities to be attractive the farmers must be in a position to derive a reasonable income from them. And this he cannot achieve unless the conditions are met; an economic size of land and the other prerequisites indicated under this subsector. Consequently,

whenever and wherever necessary (as it has already happened in some countries of the Caribbean), laws should be enacted to enable Governments to dispose of State lands or take possession of idle private lands against convenient compensation to the owners - with the view to distributing them to small food producers in accordance with the development schemes envisaged for this group. All this has to form part of an overall plan of agrarian reform.

3. Design and application of a programme of farmers' education.

Because of the high number of small farmers and the difficulty of reaching them for education purposes and capacitation in modern agricultural techniques, the best way is to instruct them in groups. So emphasis should be placed on the organization of associations of farmers, through which instructions could be economically transmitted to individual farmers. A whole set of measures should be taken to encourage such movement. For example, one of the requisites for participating in and benefiting from, the credit and incentive schemes should be membership in an agricultural producers association. The farmers' education programme should include elements of home economics and marketing.

4. Formulation of appropriate credit, price and trade policies with the view of encouraging the development of food production taking into account the establishment of mechanisms for financing at the farm level.

5. Formulation of policies and creation of instruments to encourage greater cooperation at regional level: such as regional pools of planting materials, coordination of research efforts and sharing of research results. The benefits to be derived from the implementation of these measures are so obvious that there is no need to extend on them.



