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FEATURE ADDRESS

Dr. The Hon. P.A. Reid
Deputy Prime Minister and Minister of Agriculture, Guyana

Today it is significant that a group of technologists concerned with Agricultural Economics has been able to organise another conference within the Caribbean Region, and that participating in this conference are experts in Agricultural Economics from several parts of the world. Circumstances in the world today demand that people cooperate, not only to bring peace to the world, but also economic food production; thus, a Conference on Agricultural Economics must have a direct bearing on all those who are involved in this activity. Recognising this to be so, it is important to look fairly far ahead in planning to promote agricultural development which, in some cases, may very well mean major transformation rather than just a few modifications of the present pattern of farming, especially in developing countries.

As for the Caribbean Beckford and Guscott,¹ in their studies in Regional Economic Integration on Intra-Caribbean Agricultural Trade, have observed that

"agricultural production and trade in all West Indian territories have been traditionally geared to extra-regional markets, particularly the United Kingdom and Canada. Each territory produces a narrow range of export crops for these markets and depends heavily on imported foodstuffs from outside the Region. In the post-War period, however, several governments in the Area have introduced policies and institutions designed to stimulate domestic food production. These attempts have been fitful in some territories and sustained in others. Governments have been generally concerned with raising rural living standards and, more recently, with balance of payment problems. But there have been significant differences in the nature of the various programmes and with the success that has attended these from place to place.

The first general characteristic of the Region to be noted is that it is far from homogeneous in terms of levels of development and importance of the food producing sector. In general, the relative importance of this sector is greater in the smaller than in the larger territories; the share of the gross domestic product varies from about 5 per cent for Barbados and Jamaica to close to 50 per cent for Montserrat."

At a recent conference on Agricultural Credit, organised by the Guyana National Co-operative Bank, I observed that Agriculture plays an important role in the economic development of a nation in several different ways, but moreso during the early

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Beckford, G.L. and Guscott, M.H., Intra-Caribbean Agricultural Trade, I.S.E.R., U.W.I., Jamaica, 1967, Vol. 2 No. 2, p.1.

stages when farming accounts for a large share of the total employment and national income. May I elaborate on this just briefly. The development of Agriculture can help the development of the economy from the stagnant to the dynamic stage in three ways:

- (a) by increasing the gross national product;
- (b) by supplying the physical surplus required by other sectors of the economy in the shape of food and raw materials;
- (c) by providing the economic surplus which constitutes the material basis for economic development.

To put this in another way, it is agreed that Agriculture contributes to economic development by providing food for a growing population and products for export; it is often required to provide workers for non-farm employment and capital to build up urban industries. In most of the stagnant communities, where agricultural techniques are still somewhat primitive, the application of known improved techniques like the use of fertilisers, pesticides, weedicides, improved seeds, often leads to a substantial and quick increase in agricultural production. Nowadays, we speak of this as the Green Revolution. It is important to appreciate that until the entire field is saturated with these improved techniques, the development of Agriculture can provide what may be termed a *bargain sector* -- a sector with a large unexploited potential which can produce the requisite surplus with relatively low investment and in a comparatively short time.

I understand that the economic principles of today are different from those of the past. The economy of the past is referred to as the "frontier economy", with the cowboy being symbolic of the illimitable plains and also associated with reckless, exploitative, romantic and violent behaviour. Today, economists speak of the "spaceman economy", in which the earth has become a single spaceship without unlimited reservoirs of anything and thus the argument for the future between economists may very well be, for example, whether it is eating that is a good thing or being well fed. Economists may very well agree that the less consumption with which we can maintain a given state, the better off we are. Examples like these may not be very strange -- clothes that did not wear out, houses that did not depreciate, and even bodies that could be maintained without eating. But would we prefer or enjoy intravenous feeding while we sleep? I am certain some of you are saying, 'Let not fancy roam'!

Certainly we are not living in the "spaceman economy" yet. At this Conference I hope you would drink deep of some urgent practical issues for modern Agriculture depends heavily on four technologies: mechanisation, water control, fertilisation, and the chemical control of weeds, diseases and insects.

Agriculture in many territories of this Region needs the "big push". One expert gentleman at a recent Agricultural Symposium prefers to term it the "big pull". Actually, both terms are correct if agricultural development is to make the impact on our economy, for our basic approach has necessarily to be a suitable form of strategic stimulation, namely, a "big push" given by the State, supplemented by certain strategic "pulls" through deliberate planning by our economists for industrial development based on agricultural products and by-products. The "big push", however, must be of the right magnitude and at the right points and the "pull" must be of the right proportion so that the stresses and strains are not so severe that what is 'gained in the swing is not lost in the roundabout'. To clear the "decks" for the "push" and "pull", integrated planning is the essential condition, that is, from cultivation to consump-

tion so that all the inhibiting factors that tend to hold up development are removed.

Let me make one other practical point about the "big push" to Agriculture and it is this: unless there is a large enough extension staff as well as a proper organisation for mobilising and guiding the unemployed and under-employed, our plans may be frustrated in their execution. I suggest that progressive farmers can be organised into a "task force" or "brigade" that can attend to agricultural work with single-minded devotion in their districts. Years ago I learnt an elementary principle of physics, that if a certain mass has to be moved against a certain friction, a strong enough force has to be applied initially although once the mass has been set in motion, relatively less force may be required to keep it moving. If, therefore, any stagnant agricultural economy has to be developed, the first impact of the agricultural extension service must be very intensive, although once the process of development has started, the "task force" may be relieved.

This group of Agricultural Economists, some of whom are engaged in planning and advising, would do well to appreciate that agricultural statistics required by developing countries fall into several distinct groups such as:

1. Basic series -- area and production of different crops; area under improved agricultural practices.
2. Index series -- agricultural production; prices paid by farmers; marketing surplus.
3. Statistics derived from special studies -- those concerning farm costs and incomes; range of influence of favourable and unfavourable weather conditions on output; additional labour inputs for improved seed and fertilisers.
4. Estimates of elasticities of demand and supply -- projections concerning demand and supply of agricultural products and programming of agricultural operations.
5. Statistics designed to assess the real worth of suggested technical improvements and the degree to which such improvements are being put into practice.

For all these tasks new techniques probably may be required which demand greater effort and ingenuity, but the job is important and urgent if we are to tackle some of the problems in developing countries.

I have been informed that Conferences of Agricultural Economists in the Caribbean date back to just 1966 and were sponsored by the Department of Agricultural Economics and Farm Management at the U.W.I. Campus at St. Augustine, and only last year this babe left the cradle of the University. As a matter of fact, I understand that there is not even now a formal body. The babe is growing up fast and there was actually an engagement last year and at this Conference there may even be the marriage ceremony. The people in the Caribbean thirst after the good wine and trust that it would be served early at the marriage feast.

In the early days of colonial departments of agriculture, the main concern of those in charge was the introduction of plants, plant surveys, and the establishment of botanic gardens. After the First World War, trained agriculturists were recruited

to staff the departments, but their efforts were largely confined to experimental work on potential export crops. Great demands are now made on Agriculture but the indigenous systems cannot adapt themselves quickly enough to keep pace. Even Agricultural Economics as a distinct discipline is new in these parts and agricultural economists as a separate professional group is now in its formative years, but the people expect results for their need is great and urgent. Your bringing together on a common platform all people interested in the subject can help considerably once you keep in mind the practical needs of the several communities.

As one who is interested in the betterment of living standards of the unemployed and under-employed : through job opportunities, I can give no high credit for philosophical essays only, for establishment of botanical gardens only, for experiments only, for tons of paper work only, for prestige assignments and conferences only. These have a part to play, but if we do not take great care to acquire that intimate knowledge of practical agriculture which is an essential equipment for a good agricultural economist we would have neglected some of the most important fields of study in which our contribution could be most fruitful.

Indeed, the time is here when agricultural economists should devote more and more attention to the neglected fields and your approach should be essentially one of planned purposeful research; for in the context of planned economic development, the agricultural economists have the great responsibility of advising policy-makers and administrators as to how to make the optimum use of the scarce resources available to the agricultural sector.

I know that a large number of fields claim urgent attention, but high priority must be given to production economics, operational research in marketing and distribution and programming exercises at different levels. I believe the main problem that faces our Region is how to maximise our agricultural production with the scarce resources that we have. To illustrate: our best farmers produce several times the yield per acre which average farmers under similar conditions produce. How best we can use land, capital and labour, is a problem partly of organisation and partly of technique, no doubt, but it is also a problem of economics. A careful study of the production economics of different categories of farms would tell us how the present combination of resources is defective and how an alternative combination may lead to optimum output. These studies in production economics should be made in such a manner that the result can be readily put into practice through the extension staff.

To emphasise the point I am trying to make -- our research work should be intimately integrated with planning work from the village level or settlement level up to the national level and regional level and should be such as would help the territory and Region to make the most economic and efficient use of our scarce resources at every operational stage.

We in Guyana are committed to Caribbean economic integration and I wish to repeat what the Prime Minister of Guyana, as Leader of the People's National Congress, said at our 1970 Congress in a paper 'Planning for a New Era':

"We have been exposed to a view of the high standards of living of the developed countries but still 'enjoy' poverty. We see our economies dominated by foreigners and our trade patterns dictated externally. CARIFTA represents a step in the right direction but it is only a beginning. Its significance lies in its potential for developing into an institution for rationalising and integrating the economies of its members and developing them for the benefit of the people.

"We shall have to move towards Caribbean ownership and control of Caribbean resources. We shall have to plan and devise new trade patterns and economic institutions."

Fellow workers, some of the observations I have presented here this morning cannot be pursued realistically if what I have quoted does not become the practice, or we shall continue to establish experimental stations and botanical gardens while at the same time importing from the developed world a large proportion of our food needs. We cannot be reminded too often that in the developing world live 66 per cent of the world's population and that in the developed world just 34 per cent, but the developed world produces 87.5 per cent of the world's goods and services while the developing world produces a mere 12.5 per cent.

Comrade Chairman, it is indeed a unique privilege for me and an opportunity for joy to declare this Conference of Agricultural Economists open, and to wish you not only productive deliberations, but a marriage feast with the good food served early before the volcano of hunger erupts.

Fellow workers, the challenge confronts us to plan for a new era.

May your stay in Guyana be meaningful and pleasant.