



**AgEcon** SEARCH  
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search  
<http://ageconsearch.umn.edu>  
[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

CONTRIBUTED PAPERS

*(Personal contributions)*

# THE ROLE OF THE EUROPEAN ECONOMIC COMMUNITY (EEC) IN THE DEVELOPMENT OF CARIBBEAN AGRICULTURE

G.G. Hatterson

(Commission of the European Communities Delegate in Trinidad & Tobago)

1. Although the European Communities, through the Commission, have for a long time devoted much of their financial and technical cooperation activities in developing countries to the improvement of rural life and agricultural production, this note will not attempt to summarize the past, but will look at the present situation and prospects.
2. At its November 1981 meeting the Council of the European Communities agreed to a special action plan, proposed by the Commission, to combat hunger in the world. It is additional to the emergency or exceptional aid, and to the regular food aid programmes that already obtain. It comprises an extra 40 million in US dollar equivalents, for exceptional food aid to the least developed countries (LDCs), and US\$144 million under the 1982 budget to support for the food strategies of the developing countries. A start has already been made in Mali, Kenya and Zambia in this new type of cooperation, and is dictated by the fact that many countries, and large numbers of people, are now in an even worse situation in respect of food and nutrition than ever before.
3. When considering the European Communities' role in assisting the socio-economic development of its partner-States under the Lome Convention, with special reference to food and nutrition, four on-going elements or inputs need to be mentioned:
  - (i) *Emergency assistance* (including especially food aid) representing a recurring element in a Region afflicted by natural calamities and associated crop destruction. Such assistance is given also to victims of political conflicts or in cases of acute food shortages. Usually distributed by public or non-governmental specialized agencies, whether national or international, such assistance does not generally go through the customary economic channels. Although it provides some short-term relief it does not in itself stimulate the economic development of the recipient country.
  - (ii) *Food aid programmes* (annual) are designed to meet situations where famine or malnutrition are endemic and where a response cannot be confined to immediate supplies. For 1982, the European Communities' approved food aid programme to 52 countries and 6 international organizations comprised 927,663 tonnes of cereal, 150,000 tonnes of milk powder and 45,000 tonnes of butteroil. Such aid does have its drawbacks. It can instill, locally, some complacency regarding self-efforts to correct situations. This in turn can create greater local dependence on food aid programmes from outside. Measures are therefore required to make food aid more effective in promoting labour-intensive development activities (e.g. during initial non-productive farm establishment, or crop diversification activities) which eventually contribute to the redundancy of such food aid

programmes. The objective of food aid, more complex and less spectacular than emergency assistance, can thus be one way of securing a lasting development effect. If properly applied, it cannot save lives ... but help people to live.

- (iii) *European Fund (EDF) development-aid inputs into national programmes* are announced, in terms of overall amounts, to Governments at the outset of each 5-year Convention or contract between the European Member States and their partner States in the Community. The recipient governments decided individually what portions of the overall resource are to be allocated to each of the main socio-economic sectors of their national development plan (education, health, agriculture, transport and communications, etc.) and, within each sectoral allocation, what are the programmes or projects for which EDF support is to be sought.

Within the Caribbean, several national programmes do include EDF inputs into rural development and agricultural production. Increasing emphasis is being given (and this should be encouraged) to the micro-project approach and the emergence of a network of small and medium size agricultural enterprises. And in the case of infra-structural inputs such as irrigation dams and other works, the objective of EDF aid is not the construction *per se* but the rural people for whom such works are designed.

- (iv) *European Fund (EDF) development aid inputs into regional programmes.* In the Caribbean situation especially, national development plans should be considered in their regional context. The Commission of the European Communities attaches great importance to this; and this is clearly reflected in the fact that EDF regional programme resources under the Lome II Convention have tripled in comparison with the 4th (Lome I) development fund (from 25 to US\$70-75 million equivalents). It is felt that, in the Caribbean context especially, the creation of an efficient regional infrastructural climate, to ensure a more receptive environment for effective individual country inputs, is a healthy, realistic approach. It also serves to promote complementarity, interdependence and avoidance of wasteful duplication, e.g. in the planning and establishment of agro-allied industry based on small and irregular supplies of local raw materials; establishment of appropriate diversification of research and production patterns in agriculture; or in containing the spread of disease in livestock or crops, and which is no respecter of geographical frontiers.

In respect to EDF inputs we look, in this case, to the regional institutions - and to CARICOM and the Caribbean Food Corporation (CFC) in particular, for guidance and orientation.

The grass-roots approach at individual country levels to establish techniques and practices adapted to their needs, and the inputs into promoting a regional environment conducive to collective socio-economic development, must clearly go hand-in-hand.

4. The *Caribbean Food and Nutrition Strategy* serves not only as a good example of the intimate correlation between regional and country-based activity, but it fits very well into both the present and the new type of cooperation envisaged by the European Communities in their efforts to combat world and

local food shortages. It constitutes also an example to others in other parts of the world of a deliberate effort of concerted political will by 17 governments of this Region to identify and implement a coordinated, appropriately diversified, hence complementary food production plan. And if successful, this will provide a showcase to others in a world where improvement in food production (and in the essential support sections) is vital to the socio-economic condition of so many people.

5. The EDF, both at national and regional levels in the Caribbean, is already deeply involved in helping to promote and implement a food and nutrition strategy. In effect, in addition to resources available under the 4th EDF (1976-1980) essentially for individual national programmes where several projects are now assuming greater significance within the framework of the proposed strategy, over 30 percent (some US\$27 million equivalents) of the 5th EDF Regional Programme for the Caribbean are destined as inputs into that strategy. And that is not all - for other inputs are directed to health, transport (WISCO, LIAT), marketing and trade, education and training and, of course, agricultural research (CARDI) - all essential elements to be integrated into the broader food development support picture.
6. A food strategy must, necessarily at individual government levels, be based upon motivation, an economic policy affecting producers, the farmers, and the private commercial sector. It must encompass the purchasing potential of the local consumer. It must envisage the storage of surpluses, the accessibility of agricultural inputs of tools, fertilizers and pesticides, feeder-roads, extension services. Applying the meaning of strategy as it stands in the dictionary, it is the management of inputs and the art of so moving or disposing of them as to impose upon the Region's agricultural production potential the place, location, time and conditions for achieving the end-objective of the Plan.
7. For a strategy to be effective therefore, it not only implies adoption of an economic policy at individual country-levels, but if it is to move from a philosophy to an action programme it needs to be translated into a jigsaw puzzle of individual territorial pieces that clearly indicate specific locations, project-size, potential and proposed use, and needed inputs, as a meaningful contribution to the overall picture of complementarity and diversification of the Region's food and nutrition needs. Such production patterns covering the Region require central coordination and orientation - but they also depend upon the interest and initiative of the individual countries and peoples themselves in the exercise of their responsibilities and fully aware of their roles in responding to the exigencies of the overall pattern - the regional dimension. This may entail risks and sacrifices. And in compensation for these, donors involved in the process need to provide credible ongoing support. The resources of the private sector also must be mobilized.
8. In adopting its plan of action to combat hunger in the world, the European Communities have stressed two factors essential to agri-food development. In addition to the elaboration and implementation of food strategies or policies designed to create, through coordinated operations, the economic and social conditions conducive to sustained agri-food and rural development, there is the need to protect and reap maximum benefit from the natural

condition of agricultural production. The safeguarding of a country's natural resources and avoidance of serious deterioration has obvious implications for the future of the agri-food sector. Huge areas in the world are suffering a decline in natural production potential or in actual plant and animal resources. In the agri-food sphere, especially the need for immediate action often conflicts with long term interests. So in addition to everything else, rural populations involved must be made aware of cause and effect reactions in husbanding, in the interest of their own survival also, the environment in which they live.

9. In closing, the following indicative listing of EDF inputs programmed, committed or in the pipeline will serve to reflect the European Communities' interest in the development of Caribbean agriculture.

A. *4th EDF Regional Programme:*

- (i) Technical assistance to CARICOM ... \*(Grant) ECU: \$200,000 contributed to the concept of its *food strategy*.
- (ii) Assistance to CARDI ... (Grant) ECU: \$1,500,000 to strengthen or extend its network of field stations.
- (iii) Assistance to CDB ... (Grant) ECU: \$1,060,000 for several studies on agricultural production potential, some of which are now taken up as objectives in the *strategy*.
- (iv) Belize pilot farm ... (Grant) ECU: \$1,925,000 an objective within the *strategy*.

B. *5th EDF Regional Programme:*

- (v) Technical assistance to CFC ... (Grant) ECU: \$450,000 a long term and a number of short term consultancies aim at project-identification and detailed preparation - the territorial pieces of the jigsaw puzzle referred to in paragraph 7 above, (vi) below.
- (vi) Line of credit to small/medium scale agricultural projects ... Initially ECU: \$2,000,000 (See remark under (v) above.)
- (vii) Regional marketing of agricultural inputs ... (Rotating fund) ECU: \$2,300,000 to help provide an answer to the difficulties of supply of necessary inputs to small farmers of the LDCs through a Barbados-based subsidiary of CFC-CATCO. (Ref: paragraph 6 above.)  
This operation should allow for considerable short term improvement in local production on existing enterprises, and for setting up new longer-term operations.
- (viii) Regional seed industry ... (?) ECU: \$2,000,000 to help train staff in seed technology, coordinate and promote controlled seed production in the Region.
- (ix) Assistance to CARDI ... (Grant) ECU: \$3,035,000 to promote research on forage-seed production, aroids/arrowroots, and soil/water conservation practices - involving demonstration, field trials and seed multiplication in cooperation with farmer organizations including CARDATS.

\*1-ECU (European currency unit) presently equivalent to US\$0.95

Other projects in the pipeline include:

- Livestock (hatching eggs, broiler breeding, sheep/goats)
- Fruit tree propagation and processing
- Banana disease eradication/control
- Coconut rehabilitation/development
- Corn-soya
- Fisheries boat building
- Training (agricultural school)
- Etc.