

Food production in the caribbean (jamaica) and its relation to the imf aid resear...

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Food production and food security remain to be the greatest challenges the world faces currently. This has led to a shift in world attention to the pressing need to increase agricultural production especially in Third World Countries which have been largely hit by chronic food shortages. In this respect, most countries such as Jamaica have taken various steps towards food production in line with the 1996 World Food Summit Plan of Action. Most developing countries were forced by harsh economic times and high debts to accept aid loans from the International Monetary Fund, which is among the world's financial institutions (IMF).

However, these loans had detrimental effects to these countries owing to the stringent conditionalities that were attached to the loans. This paper seeks to analyze food production in the Caribbean (Jamaica) and its relation to the IMF aid. The paper is organized in three major sections. The first part highlights the measure taken by the Jamaican government to improve food productivity while the second section gives an insight into Jamaican-IMF relations and its impact on food production. The paper then ends with a conclusion which captures the writer's position on the issue based on the research findings.

Jamaica is the fifth largest island nation state located in the Caribbean Sea. The term Jamaica is derived from Xaymaca, a local word among its indigenous people (the Taino) which means the ' Land of Springs' or ' Land of Food and Water'. Jamaica is the third most populous Anglophone nation in the Americas. Though Jamaica has never been considered for debt relief, the country is among the world's most indebted nations. It has been saddled with hefty debt servicing expenses accounting 50% of its GDP owing to the

high interest rates and large debt amount ((Johnston & Montecino 11). The climate in Jamaica is tropical with hot and humid weather.

Food Production in Jamaica

Agricultural production remains to be a crucial contributor to Jamaica's national economy accounting for 7. 4% of the country's Gross Domestic Product in 1997 and 25% of the Jamaican workforce. Similarly, Jamaica's GDP rose by 1. 2% in 2011 after agricultural production recovered from the devastation of storm Nicole in 2010 (IMF 63). The country grows various crops such as bananas, coffee, coconuts, pimentos and cocoa. Sugar is the main agricultural export product. For instance, the country produced 237, 943 metric tons of sugar in 1996. Jamaica is also popular for its production of marijuana which contributes largely to the informal economy.

The Jamaican government has been on the forefront of boosting its agricultural productivity which in turn increases food production. In a report provided by the Government of Jamaica to the sixth session of the United Nations Commission on Sustainable Development, the Jamaican government indicated that it had established the Rural Agricultural Development Authority which is mandated to: offer agricultural extension services, formulate and implement rural development schemes aimed at stimulating and facilitating the development of agriculture and securing proper and efficient use of rural land (Agenda 21-Jamaica 84). The National Irrigation Commission has played an immense part in promoting agricultural productivity by increasing irrigation programmes and effectively managing irrigation schemes.

The impact of the IMF's aid on Jamaica's agricultural productivity

The 1980's and 1990's IMF policies have had detrimental effects on the Jamaican economy and its development. Despite these effects, Jamaica still seeks fund from the IMF. For instance, Jamaica resorted to borrow a further \$ 1. 3 billion from the IMF in 2010 to help her sustain her economy. It was imagined that an agreement between the IMF and the Jamaican government would attract multiple funds from other multilateral donors such as the Caribbean Development Bank, the European Union, the World Bank as well as the American Development Bank (Johnston & Montecino, 4). As part of the agreement, Jamaica was forced by the IMF to force a suspension on public sector wage. However, the agreement stalled following the Jamaican government's decision to pay back wages owed to public sector employees after the Industrial Disputes Tribunal and Supreme Court ordered it to pay the public sector employees (Johnston & Montecino 1). Upon the election of a new government led by Portia Simpson Miller, the Prime Minister, the new government re-negotiated a new IMF deal (Johnston & Montecino 3). The new IMF-Jamaican agreement was reached after the IMF's Executive Board came to the conclusion of the Article IV on consultation with Jamaica on 30th May 2012 (IMF, 2012).

The IMF aid has had both pros and cons to food production in Jamaica. For instance, the 1980's IMF loans and their conditionalities forced the Jamaican government to privatize key sectors that were previously run by the government. Following the IMF loans and the opening up of Jamaican markets, several large foreign companies flocked into the country to manage

previously government controlled activities especially in the sugar industry. Similarly, a special government agency, Agro-21, was established to create new agricultural products as well as revolutionize agricultural techniques. The IMF loans have had a negative impact on agricultural productivity of most Third World countries. For instance, owing to the free market system imposed by the IMF on Haiti, the influx of highly subsidized U. S. rice destroyed rice production in Haiti as local Haitian farmers were not subsidized. In the early 1980's and prior to the IMF aid, Haiti imported only 7000 tons of rice and grew most of its rice but after the influx of subsidized U. S. rice, rice production became negligible while rice imports rose to 196, 000 tons by 1996 (Aristide 11). Similarly, the obliteration of the Creole pigs in the 1980s and substituting them with imported pigs from Iowa only resulted in hunger and poverty among the Haitian population (Aristide 13). International policies on agriculture and development have largely been used as political outfits to exploit developing countries. While the First World-led multilateral institutions demand developing countries to open up their economies as conditions for getting loans, the developed countries do the opposite as they subsidize their agricultural products. This has often resulted to uneven development as well as the collapse of indigenous industries and crops in developing countries.

According to Glennie 2010, the IMF policies negatively affected key Jamaican agricultural sectors such as potatoes, dairy and bananas were destroyed upon opening Jamaican markets to heavily subsidized American products. Dairy farmers in Jamaica have been hardest hit by the liberalization of their market economy that has been forced by the IMF. According to an Oxfam

Policy Paper (11), some 3, 000 dairy farmers that are poor are being driven out of business due to unfair competition from heavily subsidized European milk.

Conclusion

The utilization of the IMF aid for food production in Third World countries has resulted in industrial agriculture. However, research shows that instead of producing more food, industrial agriculture has disrupted the diverse traditional sources of food (Shiva, 12). Jamaican rural farmers still remain poor despite the progress made in agricultural production. As such, the IMF aid policies have stifled food production as trade liberalization has dented Jamaica's ability to produce agricultural commodities such as bananas. Jamaica has now been reduced to importing foods that can be grown locally. From the extensive research that I have undertaken, it is evident that food production in the Caribbean (Jamaica) has been stifled by the conditions of the IMF aid. Rural farmers continue getting poor while local dairy farmers are being forced out of business owing to the influx of subsidized milk products. This has largely resulted to dependency on other countries for basic foods and an increase in the level of unemployment.

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