

# **The Agricultural Strategies and Programs of the People's Revolutionary Government in Grenada 1979-1983**

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## **INTRODUCTION**

Periodically during the 1960s and early 1970s, Grenada captured the attention of the world's press largely because of the actions and pronouncements made by its charismatic but enigmatic prime minister, Eric Gairy. Following a coup in March 1979 that brought the People's Revolutionary Government (PRG) and Maurice Bishop to power, Grenada has been the focus of more international attention in proportion to its miniscule population and physical dimensions than any other nation in recent history. The October Crisis in 1983 thrust Grenada to the forefront of global news with the assassination of Prime Minister Bishop and some leading members of his administration, which in turn precipitated U. S. intervention. What has been overlooked in the geopolitical ramifications of the PRG's Marxist ideology and strong Cuban ties is that Bishop's government, during its brief tenure, initiated an innovative experiment in Third World development, one designed to resurrect a stagnating economy and instill Grenadians with a new sense of hope, health, and prosperity. A key element of the experiment was the rehabilitation of agriculture, which the PRG considered to be "the motor of the economy."

## **CONDITIONS IN PRE-REVOLUTIONARY GRENADA**

In 1979 Grenada's population of 110,000<sup>1</sup> inhabited an area of 344 square kilometers; it was among the most densely populated nations in the Eastern Caribbean. Owing to its volcanic origins and rugged terrain, only 54 percent of the island has agricultural potential (Figure 1), so that the resulting nutritional density of 590 persons per square kilometer of arable land was the highest of any Less Developed Country (LDC) in the Commonwealth Caribbean.

Like that of its regional neighbors, the foundation of the Grenadian economy traditionally has been export-oriented agriculture, which provided both the main source of income and employment. For a quarter of a century three crops, bananas, cocoa, and nutmeg, consistently have accounted for more than 90 percent of the value of domestic exports. These crops have been subject to fluctuations in both local production levels and world market prices, so that earnings from these crops have been characterized by instability which, in turn, has adversely affected economic development. During the 1970s Grenada's agricultural performance deteriorated to an extent that by 1979 the economy was thought to be stagnating (EPICA 1982, 74). This condition was attributed more to low and declining levels of production on the nation's farms and estates, rather than to any pronounced reduction in the world market prices for the nation's three export commodities (Le Franc 1980, 10).<sup>2</sup> The following factors contributed to the downturn in productivity:

- 1.) the concern over the social and political ramifications arising from civil disturbances associated with Grenada gaining independence in 1974;
- 2.) A shortage of estate workers.
- 3.) The deterioration in the basic agrarian infrastructure, especially that associated with the maintenance of farm roads and plant-protection services.
- 4.) The inadequacies of the agricultural extension service, especially with respect to the number and training of personnel.
- 5.) The endorsement by Gairy's government of a "land for the landless" policy by which estates could be capriciously expropriated, thereby making estate proprietors reluctant to invest time and capital on their holdings.

Reduction in agricultural productivity was evident in that the gross national product declined at an annual average rate of 1.8 percent over the period 1970-78 (Dupras 1982, 308).

During the 1970s Grenada's balance of payments situation worsened as the value of imports increasingly exceeded that of exports (Figure 2). This situation was ex- **[end p. 55]**

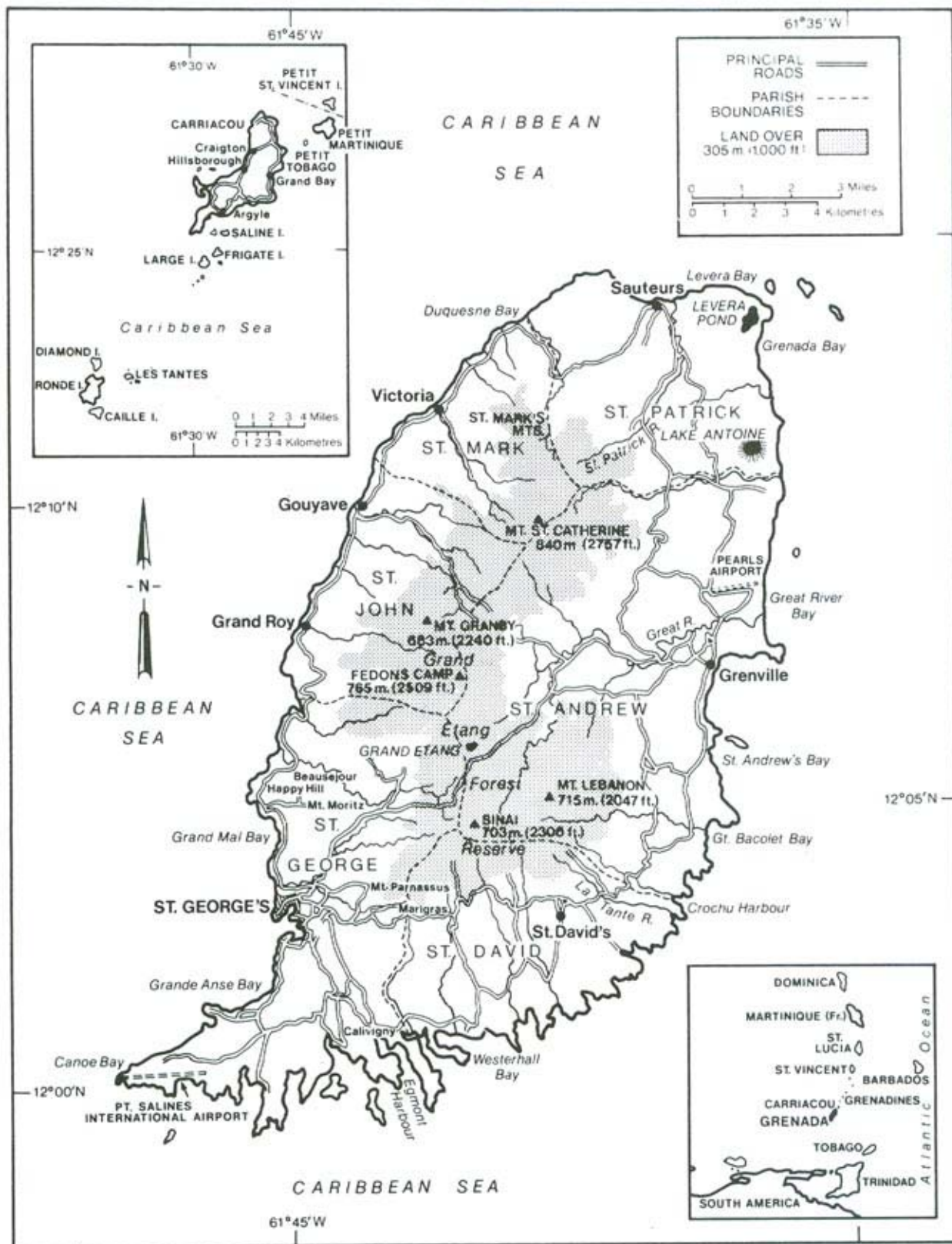


Fig. 1. Grenada.

acerbated by high rates of inflation in the world's developed countries, which induced increases in local prices for imports, one-third of which was comprised of foodstuffs. Herein lay a vestige of colonialism, in that Grenada had established in the course of its colonial history a physical, administrative, and legal infrastructure that promoted a system of agriculture geared to producing cash crops for foreign consumption. Concurrently, few attempts were made to make domestic food-crop production attractive to long-term capital investment, either by providing adequate marketing arrangements or guaranteeing prices for local produce. Consequently, imported food became an integral part of the Grenadian diet (Ifill 1977, 3). It was the intention of PRG strategy to modify if not remove this dependency on imported foods.

The detrimental impact of Grenada's chronic trade deficit was mitigated by greater reliance on grants-in-aid and remittances sent by nationals living abroad. The latter, in particular, helped to offset the hardships associated with inflationary trends in consumer prices, which increased from 6.3 percent in 1970 to 24.5 percent in 1979 (Boatswain 1981, 9). The acknowledgment by officials in the Ministry of Finance, Trade, and Planning that remittances represented the principal source of foreign capital (EPICA 1982, 74) was an admission of the inherent structural problems plaguing the nation's economy.

The following were also manifestations of Grenada's plight in 1979:

- 1.) An unemployment rate estimated to affect 49 percent of the work force.
- 2.) Idle or underutilized land accounting for more than 40 percent of all arable land.
- 3.) A neglected and decaying infrastructure, especially basic services and roads.

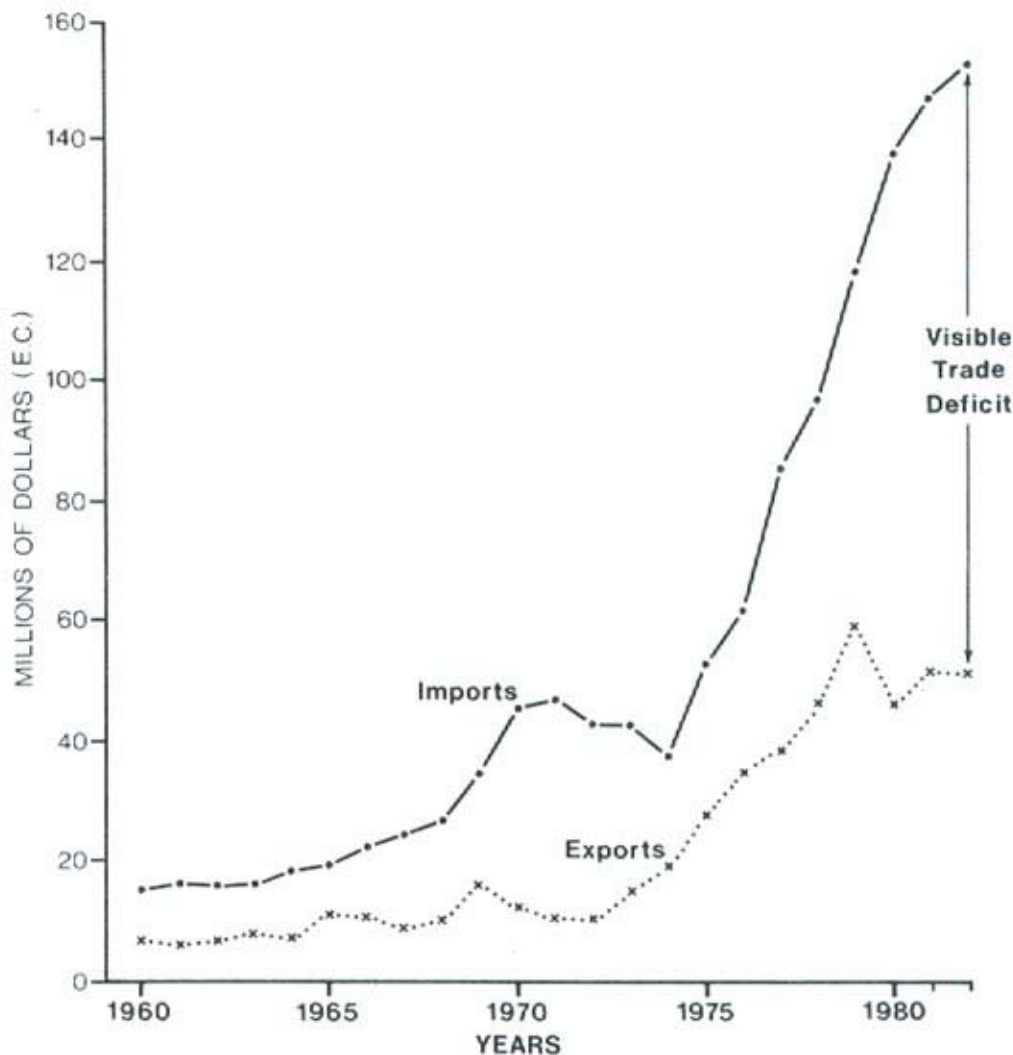
The question that has been invariably raised is why on Grenada--an island long regarded as one of the more advanced among the Leeward and Windward Islands--the deterioration of the country's social and economic conditions did not result earlier in revolution? The Grenada Sunday Times correspondent hypothesized that emigration to Great Britain, the United States, and Canada was sufficiently large to serve as a safety valve to the volatile situation that prevailed prior to March 1979 (Swain 1980, 8).

### **PRG'S STRATEGIES FOR DEVELOPMENT**

Once in power, the PRG under Prime Minister Bishop immediately endorsed the strategies for development that had been formulated back in 1973 by their left-wing political party, the New Jewel Movement (NJM).<sup>3</sup> The NJM's manifesto was an affirmation of basic human needs philosophy, in that two of its main concerns were (1) to prevent the daily price rise in food, clothing, and other essentials; and (2) to develop a concrete program for raising the standard of housing, clothing, education, health, food, and recreation for all the people (Coard et al. 1974, 43).

In this regard it is noteworthy that Prime Minister Bishop, in one of his first radio broadcasts after assuming power on March 13, 1979, declared the revolution to be "for food, for decent housing and health services, and for a bright future for our children" (Kirton 1983, 3). Among the first actions undertaken by the PRG were the freezing of food prices and the establishment of a National Importing Board (NIB), which reduced the cost of basic commodities by coordinating and controlling the import trade. These actions had the dual purposes of demonstrating the means by which government could affect immediately the well-being of average Grenadians and of illustrating the necessity of implementing the types of economic reforms that would reduce substantially the nation's reliance on imported food. This latter objective underlined the fundamental strategy of the PRG to establish a new economic order, whereby the nation would disengage itself from imperialism. As the Washington-based Ecumenical Program for Inter-American Communication and Action recognized, Grenada would thereby depart from

its historically-determined role as [an] exporter of cheap agricultural products to a handful of industrialized countries at terms set by the purchasers. Grenada's ability to do this ... [would depend] on the development of economic self-reliance: eating local foods, buying fewer imported goods, diversifying and expanding production .... (EPICA 1982, 74-75).



SOURCE: Based on data from Central Statistical Office, St. George's

Fig. 2. Grenada: Value of imports and exports.

Accordingly, the PRG's dominant approach to agricultural development was to attain a more self-sufficient economy through revitalizing and reorienting farm production. There was nothing innovative in this strategy, [end p. 57] as it had been advocated since the 1930s by various Royal Commission Reports on the West Indies (cf. 1938-39, 1947--49) and more recently echoed by the World Bank (Cherniak 1978), and in the Annual Reports of the President of the Caribbean Development Bank (1980). That the goal of self reliance has eluded LDCs of the Commonwealth Caribbean underscores the challenge represented by this strategem. Nevertheless, the PRG approached the problem with unprecedented and pragmatic determination, so that during their short term in power they were able to effect greater increases in domestic food production in the agricultural sector than the host of piecemeal attempts undertaken over the preceding half century.

To realize the main objective of its agricultural policy, the PRG directed its programs on the following four fronts:

I.) Increased productivity from the land both for domestic food crops, so as to ensure realistic achievements

- in self-sufficiency, and for export crops, so as to maximize foreign exchange earnings;
- 2.) Expanded and improved agrarian infrastructure, so that all sectors of the farming community could benefit.
  - 3.) Substantially expanded the agro-industrial sector.
  - 4.) Reliable new markets established for farm produce.

It is with regard to programs directed specifically to these four issues that is the basis for the remainder of this paper.

## **AGRICULTURAL PROGRAMS**

### **1. Productivity**

As both domestic food and export crop sectors performed languorously in 1979, the government's prime aim was to provide fresh incentives and instill a new spirit in farming as a means to stimulate production. With the intent of improving self-sufficiency, the PRG "set Grenadians the target of feeding themselves for the first time in their history" (Payne 1980, 283). To this end, the population was exhorted via the media, to "grow more food and build the revolution" and to "eat what you grow." Through import restrictions and price controls on specific items of food, the PRG regulated the cost of basic essentials to encourage import substitution and give a fillip to local producers. While encouraging the production of locally grown food crops and livestock, the government also endorsed programs to (revitalize and diversify the cultivation of export crops. Concern for all facets of Grenada's agriculture emanated from the realization that within the foreseeable future this sector would remain

the main supplier of food ... a major earner of foreign exchange ... a weapon against unemployment and a means for increasing self reliance based on the full development of ... [Grenada's] main resource (Bishop 1982, 2).

Of all the programs initiated to promote development in agriculture, none was more rigorously pursued than the campaign to "marry idle lands with idle hands." This campaign was geared particularly toward the nation's youth (of whom an estimated 75 percent between the ages of 15 and 25 years were unemployed), to encourage them to participate in farming activities and thereby significantly reduce waste in a vital cohort of the labor force. The modus operandi for this union was the National Cooperative Development Agency (NACDA), established in 1980. This agency initially invited groups of unemployed people to identify idle land in their neighborhood and indicate the manner in which they would be prepared to work it as a cooperative. NACDA then undertook a feasibility study of the proposal, and, if positively assessed, negotiated with the owners of the particular land to determine whether it could be either purchased or leased. Once NACDA acquired the land, it was leased to the cooperative in question. Prior to this land being farmed, however, members of the cooperative group were given instruction in the principles and practices of cooperative management. Finally, NACDA was responsible for providing the financial, technical, and marketing assistance necessary for a viable cooperative (Bishop 1980,6).

Another means of eliminating idle land was the Land Development and Utilization Commission. Constituted in 1981, this commission was directed specifically at large land holdings or estates, long recognized as possessing extensive areas of underutilized land (O'Loughlin 1968, 95). If more than 40 hectares of land lay idle for at least two years, then the commission had the authority to require the owner to develop this land along approved lines. If the owner decided not to comply with these recommendations, then the Minister of Agriculture could attain leasehold interest of the land for a period of ten years. Compensation would be paid to the owner at a rate equal to one percent of the value of the unimproved land (People's Law No. 21 of 1981).

In another case, an effort was made to reduce the high degree of agricultural inefficiency associated with the 30 state farms inherited by the PRG from Gairy's administration. These farms jointly accounted for approximately 40 percent of all the nation's holdings larger than 40 hectares, and they were estimated to have idle more than 40 percent of their collective area (DaBreo 1979, 236). In a move designated to centralize

control, provide more effective management, and increase production on these holdings, the PRG founded the Grenada Farms Corporation, long at the bottom of the socio-economic ladder in Grenada" (EPIC A 1982, 77), an incentive scheme was introduced whereby one-third of any state-farm's profit would be divided among its workers. Concern over the generally low regard in which farm workers were held led to further efforts to create a new social perception of the nation's farm community, one commensurate with its role in the nation's economy. Recognition was given [end p. 58] to outstanding farmers in the community, the education curriculum was reformed to emphasize agriculture and allied subjects, and an overhaul and expansion of agrarian infrastructures was initiated so that all farming communities would be integrated effectively into the nation's economic system.

## **2. Infrastructural Development**

From the outset the PRG was cognizant that the success of its agricultural programs, and that of its general social and economic strategies, hinged on the establishment of a comprehensive national infrastructure. In this regard Minister of Finance, Trade, and Planning Bernard Coard considered feeder roads to be of paramount importance, because they serve to "increase production, bring more lands under cultivation and improve the condition in which fruits and vegetables arrived at the market" (Searle and Rojas 1982, 110). Construction of such roads in conjunction with improvements to arterial routes were priorities, so by October 1983, 72 kilometers of either new or substantially upgraded surfaces had been completed. As the road network improved, so the market hinterland of small- and medium-scale farmers expanded to provide them with fresh incentives to grow and sell food crops.

Other notable farm support schemes initiated by the PRG were (1) improved efficiency of the agricultural extension service through better training of personnel and increased staff, and (2) low-interest credit for small-scale farmers, so they could acquire more land or provide higher capital inputs on their existing holdings (Coard 1983, 71).

## **3. Agro-Industrial Development**

Although the construction of two agro-industrial plants might reasonably be considered to represent a component of the aforementioned agrarian infrastructure, it is deemed to be of sufficient consequence to warrant separate discussion. The factories completed in 1981 and 1982 were a means for reducing imported food by preserving surplus produce for long-term consumption, while simultaneously promoting diversification in commercial agriculture. One of these plants processed local perishable fruit, such as mangoes, juices, nectars, jellies, and jams for the local market, thus providing a year-round supply of hitherto only seasonally available commodities. The other plant processed coffee and spices for domestic sale and export. Such avoidance of waste and better use of resources were recurrent themes in PRG policy.

## **4. Marketing**

Prior to 1979 a chronic problem confronting small- and medium-scale farmers was the effective marketing of food and non-traditional export crops.<sup>4</sup> Although the initial formation of the state-operated NIB was a positive step, more significant was the subsequent reorganization in 1980 of the NIB into the Marketing and National Importing Board (MNIB). This body instituted an island-wide network of depots where farmers were guaranteed the purchase of their vegetables and fruits provided they were of satisfactory quality. The MNIB was also to ensure there would be an intra-island supply of these locally produced commodities. Any surplus produce would be exported to other Caribbean islands, in particular Trinidad. Between 1981 and 1982 inter-island trade of this produce increased threefold (Coard 1983, 28), a fact that has been cited as reflecting the success of programs to grow more food and obtain wedlock between "idle hands and idle lands." Lastly, the MNIB had a mandate to find markets for non-traditional export crops, such as avocado pears, mangoes, and eggplant. Thus, the MNIB was playing and was expected to continue playing a pivotal role in Grenada's agrarian renaissance as envisaged by the PRG.

## **SUMMARY AND CONCLUSIONS**

The PRG's tenure in power coincided with a period when economic hardships pervaded most of the Caribbean and unusually stormy weather affected Grenada; nevertheless, the nation's economy exhibited

sustained growth. Indicative of the harsh realities affecting Caribbean agriculture were declines in the market prices for nutmeg and cocoa of 12.6 and 15 percent, respectively, in 1981 and 1982. Although banana prices over this period increased by 7.3 percent, total export earnings from bananas dropped by 9.4 percent, owing to losses incurred from the adverse weather conditions in 1981 (Coard 1983, 25-26). Despite such setbacks, the World Bank noted in its 1982 confidential report on Grenada that it had been "one of the very few countries in the Western Hemisphere that continued to experience per capita growth in 1981" (Searle and Rojas 1982, 165). Net growth was accounted for by increased production of food crops, export of non-traditional crops, and the production of agro-industrial products, building material, furniture, and manufactured garments. The World Bank report further endorsed the basic strategies and development programs being pursued by the PRG and, in general, supported the agricultural policies that had been or were in the process of being implemented.

Evidence of new interest and activity in agriculture was reflected by a drop in the average age of farmers from an estimated 62 years prior to the revolution, to 51 years by 1981 (Grenada Agricultural Census 1981, 1). This decline indicates the partial success of attracting idle hands to farming. The value of imported food as a proportion of the total value of all imports decreased from more than 33 percent prior to 1979, to 27.5 percent in 1982 (Coard 1983, 25). This is evidence of increased food production. Furthermore, for 1982 the MNIB rerecorded that local sales of domestically produced fruits and vegetables were twice that for 1981, while export sales of these items trebled. As a result of the increased [end p. 59] export of fruit and vegetables and other non-traditional crops, the role played by the traditional export crops--bananas, cocoa, and nutmeg--diminished. In 1978 they jointly accounted for \$E.C. 41.3 million, or 90 percent of total export value; in 1982 they accounted for \$E.C. 31.7 million, or 63 percent of total export value (Boatswain 1981, 39; Coard 1983, 27). Hence, the programs aimed at rehabilitating agriculture through diversification and increased production were accepted by some sectors of the Grenadian people, and by 1983 their economy may well have exhibited more self-reliant characteristics than at any time since World War II.

Despite its highly controversial foreign policy, there was a widespread consensus among Caribbean observers that the PRG made significant strides in improving the social and economic lot of average Grenadians. As the Manchester Guardian observed in April 1984,

the island's problems were being thought about seriously and courageously for the first time and that much was achieved, as members of the present interim government privately acknowledged (Chamberlain 1984, 7).

In view of the region's history and the current economic woes of many of the smaller islands, it might be asserted that Grenada under the PRG advanced farther down the road of economic development in a shorter time than any other island in Caribbean history. Thus, it is all the more regrettable that the termination of this government in October 1983 brought an end to PRG agricultural programs before they could accomplish much. This resulting situation is lamentable not only for Grenada, but for other LDC's that are similarly small, weak, and poor, for they, too, stood to benefit from the lessons this experiment in development promised to furnish. In light of this evidence, Grenada's newly elected administration could effectively serve the nation's economic development if it were to endorse the agricultural sector with verve similar to that of its revolutionary predecessor. Unquestionably many of the PRG's agrarian initiatives warrant serious consideration, for the universality of their concepts transcended political ideology. It would be in the long-term interest of Grenada's social and economic advancement if some of these initiatives were renewed and rigorously pursued in the immediate future.

## NOTES

1. The recent Population Reference Bureau bulletin on Grenada indicates that the 1982 count still remains incomplete and that "the only available information from that census was the total count: 90,281" (Bouvier 1984, 5). This total falls well short of the more usually cited 110,000. If the 1982 figure is the more correct, then either the net effects of outmigration were not accurately monitored or they were not publicized, as they would have reflected badly on the PRG.

2. In fact, the price for cocoa increased from U.S. 49 cents per kilogram in 1973 to 84 cents per kilogram in 1974, largely owing to Grenada's privileged position as a producer whose beans possess a distinctive flavor prized in blending. Furthermore, the world nutmeg market, to which Grenada regularly contributed 30 percent of the total volume, improved in the early 1970s because dry weather and crop damage caused by volcanic eruption on the island of Siau, one of the world's principal nutmeg producing islands in Indonesia, led to reduced yield. Consequently, Grenada's price for nutmeg and mace (the dried aril surrounding the nutmeg) increased by 39 and 32 percent, respectively, for the 1974-75 fiscal year over 1973-74 (Iffill 1977, 16).

3. Prior to the revolution the NJM headed by Maurice Bishop was the official opposition in Grenada's parliament.

4. Marketing of traditional export crops has been relatively effective as performed by the Grenada Banana Grower's Association and Grenada Cocoa Board. .

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