

CANE SUGAR IN THE ACP COUNTRIES - SOCIAL PROBLEMS

H.B. Davis, CCH,
Chairman of the Guyana Sugar Corporation, and
Chairman of the Sugar Association of the Caribbean

First, I would like to deal with the cane sugar industry's need to mechanise and modernise and the associated desperate problems of unemployment and underemployment. Sugar is often the largest employer in many of our countries, but today a large work force means high labour costs and an industry gradually going out of business. Yet a recent report on our agriculture in Guyana by the International Fund for Agricultural Development concluded that because of high unemployment and foreign exchange problems at the very least any further mechanisation should be discouraged at the present time.

Secondly, we are faced with the loss of skills - the migration of expertise and technical experience out of cane sugar. There are many reasons for this - uncompetitive conditions of employment, lack of up-to-date equipment and of research and operational facilities, the tug of the rich developed countries and the feeling that in cane sugar the future is not bright. This feeling of insecurity stems basically from the low world price, to a great extent due to the dumping of EEC sugar and the rise in consumption of High Fructose Cane Syrup.

Third, we are hard pressed to recruit, train and retain the younger generation. Where harvesting is done by hand, they are reluctant to cut cane, even if unemployment is the only alternative. The education system is not geared to farming, much less to field labour. There is a social stigma and those with rising expectations scoff at old fashioned field work.

Fourth, there are hosts of social and other problems associated with 'the burden of the past', the historical association with slavery and indenture, an Old Man of the Sea whom we seem unable to shake off completely. It can mean that those who help to form opinion and even those with ultimate authority are suspicious of the industry. In beet sugar and in the newer cane sugar projects, sugar is just another industry. But with us it is more than this, a dark historical past, the old colonial bully. I believe this puts us at a deep-rooted psychological disadvantage compared with the newer sugar industries. And in passing, I would comment that for beet growers the options open for diversification are far greater than for us.

Fifth, sugar makes a social contribution to our communities by helping in a very big way to stem the tide of people who invade the towns from rural areas, creating horrendous problems, particularly in poor countries. In Guyana, out of a population of $\frac{3}{4}$ of a million 150,000 people are dependent on the cane sugar industry for their livelihood. Indeed at present the whole of Guyana's economic activity is largely dependent on foreign exchange earned by cane sugar. Any further diminution in the price would therefore be disastrous for us, as I believe it would be for many ACP countries. In spite of economic and social change sugar is still the back-bone and mainstay for maintaining our living standards and for improving the quality of our lives. Over the years the industry has built up the structure and discipline required for effective production and it must survive.

Sixth, sugar provides us with a mini welfare state. Apart from large employment with minimum wages, bonuses, holidays with pay and special allowances, the industry guarantees out-of-crop work, provides medical services to workers and their families, interest free loans for housing and the essential infrastructure for housing estates. All this is in addition to the rates and taxes we pay to local and central government.

We are proud of this, although such social responsibilities can become too heavy for our economic resources to support. Whereas we have to support our countries, for the beet industries in Europe it is the other way round. They receive generous support from their governments.

Finally, may I just say how much I hope that party politics can be prevented from damaging our sugar industries. Of course politics cannot be kept out of sugar, but there can be no doubt that in any sugar industry where rival political parties are able to agree a truce and resolve that the good of sugar is the good of all, the more secure will the future of that industry be.