



Hospital in Léogâne. Funding for government health programmes remains frozen.

Photo by Leah Gordon

Suffering from sanctions, again

The Haitian economy is more than just on its knees – it's now a matter of skin and bones. Sanctions against the military regime in the early 1990s failed to shift the generals but did succeed in reducing economic capacity by a quarter. Since then, there has been no recovery, and the latest data for the financial year 2000-01 shows that economic growth was negative – a GDP growth rate of minus 1.2%. What then is the response of the 'international community', of the donor countries that provide development aid to prevent Haiti becoming a fully-fledged disaster area? The answer – they have decided to continue with a new round of economic sanctions.

In January, the European Union announced, "unfortunately, democratic principles are still not upheld in Haiti", and some 44 million Euros of aid allocated for government programmes to develop in-

frastructure and agriculture and to reform the administration would continue to be withheld. Also still suspended since early last year are grants for tens of millions more Euros allocated to help the central government alleviate the worst effects of structural adjustment policies, i.e. to make up for the enforced reduction in government spending on health and education.

At the beginning of February, the US too reiterated its hardline. Leaders of CARICOM – the Caribbean economic union – met with US Secretary of State, Colin

Powell, and asked him to use his influence to unblock some \$150 million of Inter-American Development Bank (IDB) loans allocated to Haiti. Amongst other things, the suspended IDB loans were to have funded health, education, and drinking water programmes. Caribbean leaders fear that when Haiti finally completely collapses, they will have deal with the refugee hordes, and as Bahamas PM, Hubert Ingraham observed, "While the US does not have the veto power in the IDB, the reality is that if the US is opposed to it, the funds won't be released."

Powell was unmoved, declaring "We believe we have to hold President Aristide and the Haitian government to fairly high standards of performance before we can simply allow the flow of funds into the

country." A short time later, the International Monetary Fund – another body dominated by the US – applied still more sanctions, announcing there would be no new credit for Haiti in the forthcoming year.

It's worth remembering that the international community's problem with the current Haitian government is a disagreement over the way voting percentages were calculated in seven Senate election contests in May 2000. It is also worth remembering that in an effort to address this problem not only have all seven of the disputed Senators resigned and left office, but the government has also reduced the terms of all members of Parliament by half, and proposed new general elections in late 2002.

These concessions are not enough though for the opposition parties that appear to enjoy the full confidence of the 'international community', if not of the Haitian electorate. Each time the government makes a concession, the opposition shifts the goal posts, and a compromise solution remains evermore elusive. No solution, no aid – the cynical game goes on. ■

Still suspended are millions of Euros allocated to help the central government alleviate the worst effects of structural adjustment policies, in particular, to cover the enforced reduction in spending on health and education

Two years ago, Muracin Claircin, a young rice farmer from Desarmes in the Artibonite valley in central Haiti, sold his plot of land, left his wife and two small children, and headed with three of his neighbours to Haiti's northern coast. There he paid around \$1,000 for a boat to take him to the United States. "I had to do this because I could no longer support my family from growing rice," he says.

After a torturous week drifting at sea without enough food or water, the captain told them they would have to turn back because the ship's compass was broken.

Although his money was not returned, Muracin was luckier than many who drown trying to enter the US illegally by boat. Now, back in Desarmes, but with no money or land, Muracin lives with his family in a single room house on the edge of the market. He rents a small piece of land, but barely makes enough money to make ends meet. He cannot afford to send his children to school, and he is worried that if any of his family fall ill he will be unable to buy medicine.

"There's no incentive to grow rice any more," he says. "It's virtually impossible to make a profit." At the first opportunity he is going to try again, and join the thousands of others who every year risk their lives trying to make it to the US.

Muracin Claircin's story is not uncommon. Over the past decade Haiti's rice farmers have had a tough time adapting to the rigours of economic liberalisation. In return for loans and support from the World Bank and the International Monetary Fund, successive Haitian governments eliminated restrictions on almost all imported goods.

Flood of cheap imports

Haitian farmers say this has prompted a flood of cheap, imported rice, mostly from the United States, where the industry is given billions of dollars every year in subsidies and export credit guarantees. Haitian farmers say this puts them at a competitive disadvantage and they are left with two options: to find alternative crops or abandon their land.

The Artibonite valley produces 80% of the country's rice. For decades this lush, fertile

Rice farmers in the free market: "We'll all be wiped out"

In the mid-1990s, the international finance institutions insisted that, in order to qualify for development loans, Haiti must open up its markets to foreign goods. Critics of the free market model both in Haiti and abroad feared this would be a recipe for disaster but their warnings were ignored. Christian Aid's JASPER CORBETT recently visited Haiti and found the dire prophecies are coming true.

Sieving rice at the community mill in the village of Segur, the Artibonite.



Photo by Leah Gordon

valley has provided tens of thousands of families with a livelihood and an income. In the past, the region used to attract migrant workers from all over the country. Now many of the farmers are leaving, bitter at what they see as the failure of the government to protect them from cheap imported rice.

Fenol Leon inherited a small plot of land when his father died a few years ago. The land has been in his family for generations, but with

imported rice driving down the price of Haitian rice, he says he is making plans to leave for the Dominican Republic in order to earn enough money to send his children to school.

"Unless something is done to protect us from cheap rice imports I don't think there's a future for us - we'll all be wiped out," he warns. "Opening the country to foreign rice has made us too dependent on imports. If things ever get difficult and there's a shortage of rice on world markets, the prices will go up and we won't be able to afford it."

Farmers who decide to sell up and abandon their land have few alternatives. Some risk their lives going to the US, others head to the vast shanty towns encircling Port-au-Prince, while others cross illegally into the neighbouring Dominican Republic. There the men tend to work as construction labourers or cut sugar cane, while women often end up as domestic servants.

No investment

Few would argue that rice production in Haiti is a cost-effective or efficient process. A succession of governments has either been unable, or unwilling, to invest in agriculture; still a vital source of income for 65% of the population. In the Artibonite valley the irrigation system no longer works in many places; this has kept yields low, while the cost of inputs has steadily risen. With little or no credit facilities, many farmers have been forced to turn to loan sharks that charge them exorbitant interest rates to pay for fertilisers.

ports, he says, are edging farmers out of the market place and off the land. "We want the government to reduce rice imports. We know we don't produce enough rice in Haiti to be self-sufficient, but the imports need to be controlled so we have a better chance of selling our rice and making a decent profit."

Trade liberalisation in Haiti began following the demise of the Duvaliers in 1986, and has been pursued with renewed vigour since President Aristide was restored to office in 1994.

Under the tariff reform programme, approved in February 1995, import restrictions on nearly all agricultural commodities were eliminated. Vastly reduced tariffs on certain basic products such as rice, sugar and flour were retained for a limited period. Today the tariff on rice is just 3%. In return for opening its markets to foreign imports, Haiti received hundreds of millions of dollars in loans from the World Bank and the International Monetary Fund.

Tariffs cut, imports rise

The impact of trade liberalisation is clearly visible on the streets of Port-au-Prince where street-markets are piled high with imported goods, including clothes, shoes, medicines and food. Here, a local measure, known as a marmite, of imported rice sells for less than two dollars. The equivalent measure of Haitian rice sells for between a little over three dollars.

Twenty years ago, Haiti was virtually self-sufficient in rice. Figures from the Ministry of Agriculture show that in 1985 Haiti produced 180,000 tons of rice. This has now fallen to just over 100,000 tons. Meanwhile, imports from the US have grown from 79,000 in 1989 to just over 215,000 tons a decade later.

Haiti now produces less than one third of the 300,000 tonnes of rice eaten every year, and according to Camille Chalmers, who heads a Christian Aid-supported organisation, the Platform to Advocate for Alternative Development, this has made the country highly vulnerable to fluctuations in the price and production of rice on the world's markets.

The IMF emphasises that the failure of the Haitian rice industry to compete with foreign imports is due to a lack of infrastructure. But farmers in the Artibonite valley blame the government both for failing to provide investment and for implementing a structural adjustment policy that

has opened the country to an invasion of foreign products. In the words of one farmer this policy is turning Haiti into "a nation of refugees."

In 1996 a leaked World Bank draft strategy paper on Haiti suggested that two-thirds of the country's rural workers would be unlikely to survive in the free-market, and would be left with two possibilities: to work in the industrial sector, or to emigrate.

Social costs of the free market

Chalmers echoes these concerns. While conventional wisdom argues that cheap imports provide an important source of food for millions of Haiti's urban poor, he disagrees, maintaining that the short-term advantages of cheaper rice imports are far outweighed by the social costs farmers are having to pay.

"Haiti's dependency on imported goods is not only making us vulnerable to changes to in global markets, we're losing our identity and self-esteem with mass migration, higher unemployment and greater poverty," he says.

In addition, farmers say that the fallout from the crisis in rice production is being passed on to their children who, unable to go to school, will burden the state with a host of social problems that it is ill-equipped to deal with.

Artibonite farmers are very aware that even though imports of US rice are putting them out of business, without them millions of Haitians would starve. For this reason many believe that the government should establish a system of seasonally adjusted quotas of rice imports so that when there is an abundance of Haitian rice it can impose restrictions on imports. However, officials at the Ministry of Agriculture argue that such a scheme would be unworkable and in any case it would contravene agreements signed with international lending agencies which underpin Haiti's free market economy.

Whole sector under threat

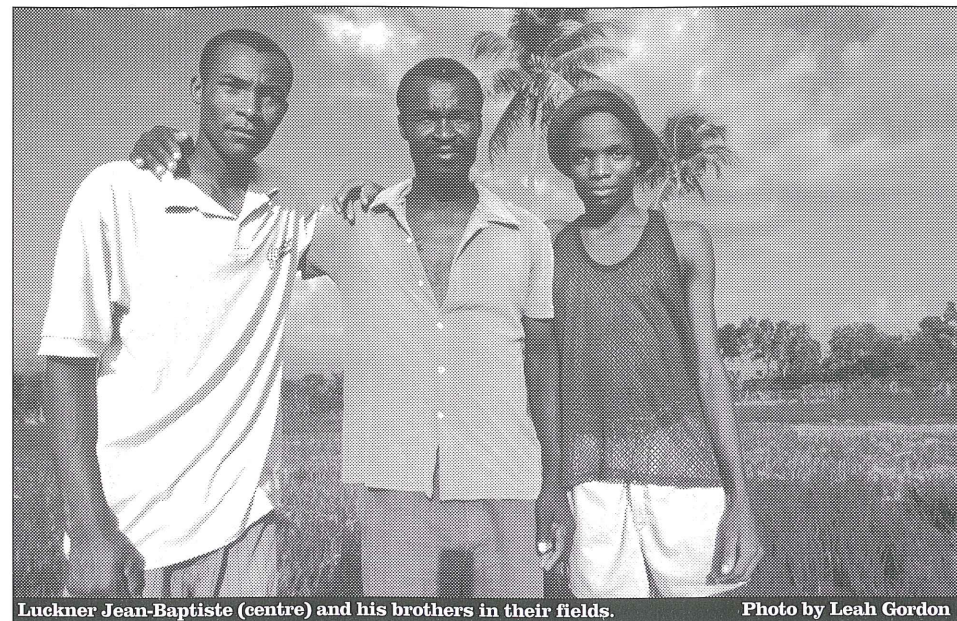
Rice farming is not the only agricultural sector that is being harmed by cheap imports. In recent years, the country's poultry and pig farmers have had to face up to the problems of meat imports from the US. According to the Ministry of Agriculture, hundreds of local poultry farmers have gone out of business in the last five years. Jean Rene Cadet, who works for the development programme of the Methodist Church in Haiti which is supported by Christian Aid, warns that meat imports are threatening a programme to re-populate rural areas with pigs.

"Haiti is not going to progress while it's economically dependent on other countries," he says. "If we're going to move forward, then we have to build up our own capacity to produce and not be just consumers."

According to free market theory, in order to develop, countries like Haiti should use their comparative advantage, such as cheap labour, to attract foreign investment to create jobs and a more stable economy. Gone are the days when a government in the developing world should be seen to be propping up less efficient forms of agriculture, such as rice production.

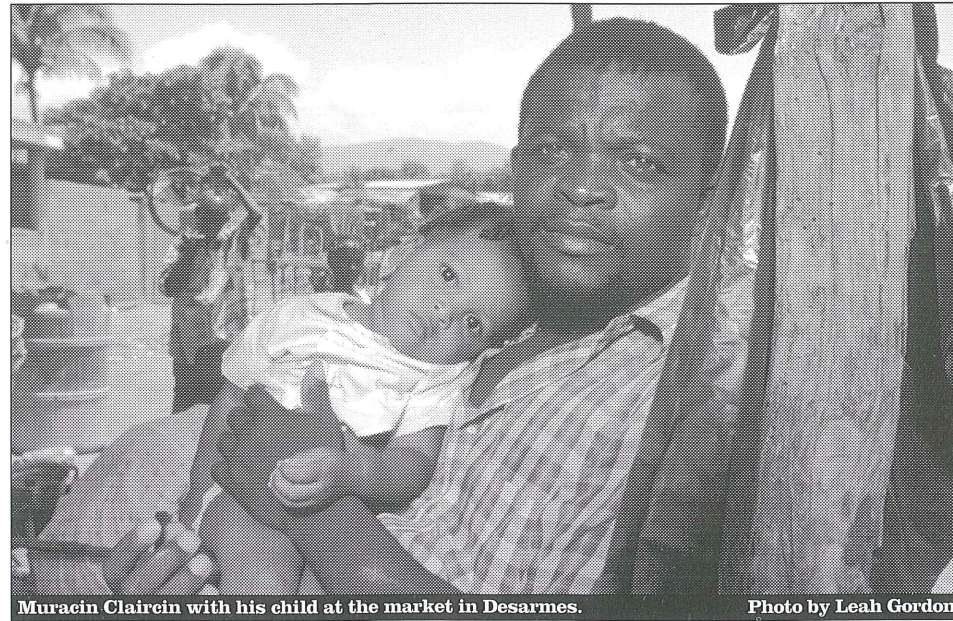
But the truth is that with a minimum wage of less than \$1.5 a day, rice farmers in the Artibonite valley would rather risk their lives on board a boat to the US, than endure the conditions of an assembly plant or factory in Port-au-Prince. ■

● Details of Christian Aid's work in Haiti can be found at www.christian-aid.org



Luckner Jean-Baptiste (centre) and his brothers in their fields.

Photo by Leah Gordon



Muracin Claircin with his child at the market in Desarmes.

Photo by Leah Gordon

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Coldplay singer visits Haiti

In February, Oxfam GB organised a visit to Haiti by a nine-strong delegation from Britain that included Chris Martin from the band Coldplay. They met with coffee growers' cooperatives in the north of Haiti and found out why free trade is not the same as fair trade when coffee growers are being impoverished by the very trade rules that are supposed to bring justice to the marketplace.

An Oxfam spokesperson told the local AlterPresse news agency that

the delegation had "been able to see how the international trade rules effect Haiti." She said that the facts accumulated in the course of the visit will be used in the international campaign about the unfair market and its impact on poor countries that Oxfam is launching in April. One of the spokespeople for the campaign will be Chris Martin, the singer from the group, Coldplay, whose first album released two years ago has sold 5 million copies. "Haiti is suffering from the reper-

"Haiti is suffering from the unfair terms imposed by the IMF and the World Bank"
— **Chris Martin, Coldplay**

cussions of corrupt government and the unfair terms imposed by the IMF and the World Bank", the English singer told AlterPresse.

The arabica coffee produced by the Haitian cooperatives supported by Oxfam is blended with coffee from other countries and sold in the UK by Cafédirect, a leading Fair Trade brand. (See <http://www.cafedirect.co.uk/>)

Details of Oxfam's development work and campaigns can be found at <http://www.oxfam.org.uk> ■

A new book on Haiti

Haiti in Focus: a guide to the people, politics and culture

By Charles Arthur

**(Latin America Bureau/
Interlink Books)**

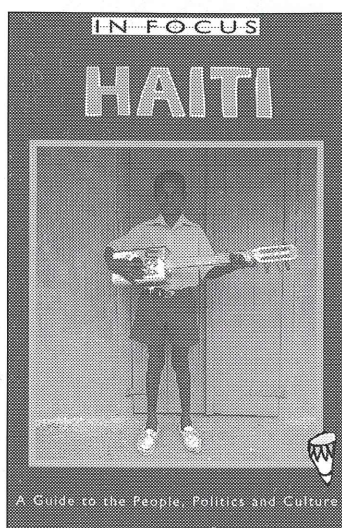
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Graham Greene's novel, *The Comedians*, the James Bond caper, *Live and Let Die*, and Wes Craven's horror flic, *The Serpent and the Rainbow*, have firmly cemented images of the 'nightmare republic' in popular consciousness across North America and Europe. While Haiti is indeed a society quite distinct from those found in the rest of the region, the clichés of black magic and thugs in sunglasses barely touch on the reality of life for those who make up the third largest population in the Caribbean.

"You'll be fascinated, impressed, depressed, and delighted with Charles Arthur's succinct introduction to the people, culture, and history of a small nation so very close to U.S. shores and U.S. history, yet so very far from our thoughts. This little book enlightened and amazed students in my class. We all give it a two-thumbs-up!" — Karen Davis, Head of Humanities, Marygrove College, Detroit.

"For a brief, well-written, inexpensive, up-to-date, and accurate guide to Haiti, I highly recommend Charles Arthur's *Haiti in Focus*." — Robert Lawless, author of *Haiti's Bad Press: Origins, Development, and Consequences*. ■

Praise for Raoul Peck's new film

Profit and Nothing But!, the new film by Haitian director, Raoul Peck, had its UK premiere at the Ritzy Cinema, Brixton, London on March 25 as part of the Human Rights Watch 2002 Film Festival. Haiti Support Group members met up to see the film and these are some of their reactions:

"The film-essay – rather than straight documentary – allows the film-maker to express his/her opinion without exclamations of bias or propaganda. Raoul Peck's film is a wonderful example of the genre. It is made up of measured and visually sumptuous footage of Haiti, images of western society, and interviews with left-wing economists deflating the many 'truisms' of modern capitalism. This is bound together by Peck's considered narration. He slips effortlessly from irony to anger to sarcasm without missing a beat, and relentlessly unpicks the self-heralded triumph of capitalism. From the images of Haiti we do not simply glimpse suffering – his

"Peck neither rants nor minces words; accompanied by his relaxing monologue, we journey far beyond the shores of Haiti to the epicentre of a system whose ghastly logic enslaves us all"

polemic is never that crude – we glimpse also a wiser logic, a deeper consideration, and a great beauty."
— **Leah Gordon**

"In this documentary Haiti appears like a revealing agent of the capitalist society. It shows the price that has to be paid for that system to succeed. I like the utopian ideas of those economists who think that society can be based on something else than profit, but are they right in saying that there can be a way in which no price has to be paid?

Even in Haiti, it seems, that in order to survive one has to forget about a common future; the only difference there being that, instead of thinking about personal happiness, they have to think about how to stay alive. I think Peck expressed this idea in the very way he used the images: while western society is described through short interviews with people in search of instant gratification, Haiti is depicted with long and insistent shots of a totally different way of life. After seeing this film I almost

felt like joining the Communist Party." — **Maccha Kasparian**

"It must be tempting for the political film-maker to focus on recognisable bad guys and heartless corporations – the corrupt, the cruel, and the callous. In the Haitian panoply we would surely be spoilt for choice of characters worthy of our anger and opprobrium. But Peck has another project, a wider angle to explore, and he fails to reassure us that, if only we could dispose of those particular bogeymen in the boardrooms and the barracks, life would be sweet. Peck neither rants nor minces words; accompanied by his relaxing monologue, we journey far beyond the shores of Haiti to the epicentre of a system whose ghastly logic enslaves us all. Two nights at the Ritzy is not enough – demand more!" — **Paul Ricard**

(Details of the Haiti Support Group's plans to screen *Profit and Nothing But!* will be publicised later this year.) ■