
Interview: Adriano Quintana

Colombian graingrowers could feed their nation, if policy were changed

Dr. Adriano Quintana, president of the National Federation of Graingrowers of Colombia (Fenalce) argues forcefully for a change in policy that would enable Colombia to become self-sufficient in grain production, particularly by making low-cost credit available to farmers to allow them to buy heavy equipment and upgrade their productivity. Fenalce has assembled figures that show that, while the cost of heavy farm machinery has risen six times in about four years, the average age of national agricultural machinery stock has increased to the point that many machines are beyond repair.

During a conversation with this reporter and Javier Almarino in early July in Bogotá, Dr. Quintana noted that in some areas, the abysmally low prices for their crops and the lack of credit for inputs, have driven desperate peasants into the more “profitable” cultivation of coca and marijuana.

In contrast, a spokesman for the Colombian Agricultural Association (SAC), the umbrella group which gathers Colombia’s farm organizations, denied to *EIR*’s reporters that Colombia has the kind of land suitable for large-scale cereal cultivation.

This latter view seemed peculiar to us, and we consulted with individuals with many years of expertise in the potential of Colombia’s rich valleys, such as the Valley of the Cauca, and Cundinamarca, which surrounds Bogotá. They pointed to the exceptional fertility of the soil (only surpassed by the Nile Valley in Egypt), the long hours of year-round sunlight (due to the proximity to the Equator), the mildness of the climate due to high altitudes, and the resourcefulness of the peasantry, as factors that could make Colombia capable not only of self-sufficiency in cereals, but indeed could lead to a massive export capability.

Most of the Valley of the Cauca, for example, could easily support three crops per year, if irrigation, tilling and harvesting machinery, and other inputs were available, along with rail transport, which has been allowed to fall into total decay. (The only offer to provide funds to restore a vital rail

link between the inland city of Cali, capital of the rich Cauca Valley state, and the coast, has been made by the Russian ambassador to Colombia!) Moreover, there are large undeveloped and almost unpopulated regions in the eastern part of Colombia, today the havens of the drug-trafficking guerrilla armies, which represent totally untapped agricultural potential.

These sources affirm that, in addition to the critical need for credit to provide modern agricultural machinery to the sector, Colombia is in need of a land reform, and political leaders with the clout to counter the massive power of the sugar-cane interests, who are among the leading political families of the Colombian oligarchy, and who have devoted excessive acreage to sugar cane, a crop which is not particularly apt for Colombian conditions.

We discussed with Dr. Quintana the fact that despite media propaganda—widespread in the Third World—to the effect that the European Community and United States are supporting their farmers with subsidies, in fact EC and U.S. farm policies are dictated by the food cartels and are driving advanced-sector farmers out of business, too.

The potential benefits to the devastated U.S. agricultural machinery industry, of a credit-easing program such as that recommended by Fenalce, are obvious. At present, Colombia, in common with most South American nations, manufactures no heavy tractors or combines and would have to import all such equipment. The food cartel-dictated policy which now prevails, has made countries like Colombia deeply dependent on U.S. cereals exports—and potentially helpless in the face of the impending food shortages.

Below is an interview which Dr. Adriano Quintana granted to *EIR*’s Bogotá bureau chief Javier Almarino early last month.—*Nora Hamerman*

EIR: Dr. Quintana, do you believe that the country is capable of surviving the food crisis in the world, considering

that production has dropped by 30-40% in various products which Colombia imports?

Quintana: Fenalce has maintained for several years that it is not right for Colombia to depend for its supplies and food on the instability of international markets. Today this warning, made by Fenalce for a number of years, is being confirmed. It is not good for Colombia, nor for any country, I believe, that can produce food and has the capacity to do it, to have to resort to importing from foreign markets. The key is for Colombia to seek food security. Unhappily, Colombia today is importing food, now and last year and year before last, really for several years. Obviously the volume of imports has gone up. Unfortunately, this year the volume is the largest ever, because there has been no basic farm policy, no bold farm policy, no coherent, long-term farm policy. The farming sector has been left alone and abandoned, and really for this reason, cereals production and production of other products like milk or beans or chickpeas which are being imported by Idema [the government food-distribution agency] is not enough. The production is deficient because farm policy is deficient.

For example, in the case of grain: We have the capacity to produce maize continuously in Colombia, including more than our requirements; the same in sorghum, the same in rice, the same in soya, the same in rye. What has happened, I repeat, is that there has been no bold, aggressive farm policy which really protects the farmer and the peasant and allows Colombia to give the necessary security with products of national origin and national production. So to import this food—this 1.5 million tons in 1988 to resolve a conjunctural problem—as an association we could hardly stubbornly oppose such imports, because we do have to supply our industry and the country's food needs, that's logical—what worries us, is that there is no development, there is not, at the same time, a policy which would let us substitute, in the medium term, these imports by developing our own agriculture.

This is what disturbs the growers and in this sense, what we're saying to the government is that this period ought to make us reflect, both government, the associations, and industry, on the need to implement this farm policy which we have been demanding for some time. We need to make decisions, for example, on agricultural machinery; our farm machinery is extremely costly, it is precarious, old, obsolete, and it is causing enormous losses because of its obsolescence, but we cannot renovate it because of the sky-high prices, because of the tariffs on it. So we have to eliminate the tariffs on importing farm machinery and even go further, and set up a preferential exchange rate for importing this machinery. Venezuela is doing this very successfully and the farm sector has responded. Ecuador and the United States are doing this. The European Community is protecting its agriculture with subsidies and tax breaks.

In Colombia we have not been doing this, so we are telling the government that now is the time to undertake this

aggressive policy with basic decisions, by making subsidies, tax breaks, but stimulating the countryside. If it is not in-depth, if we don't make radical changes, it will be very hard to build up farm production.

As to the production costs of other inputs: It is frightening how they have gone up on the order of 40% in price in the last year for seeds, fertilizers, and herbicides, because there has been no policy of reducing these costs for imports nor to reduce the price of these inputs. Credit, which is another important factor, development credit has been dismantled in an inexplicable way. This was the only support the farmers, the peasants had. Little by little, credit has been dismantled, and we are telling the government that we have to reestablish development credit.

So the point is that we need a bold farm policy to achieve food security first of all. And through this food policy, we can generate jobs in the rural area and give the rural workers the chance to continue their farming jobs, which is a way to contribute to solving the social problem which the country is suffering from, of violence and insecurity. It is just because there are 7 million rural dwellers who feel unprotected, who don't see any farm policy and feel they are floating out there, that disagreement is kindled. This disagreement stirs up violence, and this is just what we have to attack.

So I think the country has to start looking at its food-producing sector from the economic standpoint as one of the fundamental strategies of the coming years, and that the drought the United States is undergoing and the huge rises in price which are affecting the Colombian community, ought to lead us to enact this bold farm policy to little by little replace imports with domestic production, creating jobs in Colombia, creating public wealth in Colombia, and giving guarantees and real security to our farmers.

EIR: What is the immediate effect of the U.S. drought on the Colombian food situation?

Quintana: The immediate effect is that the imports we are making are going to be more expensive. The price increases go from 25-40% for different products. So food imports into Colombia will become dearer and this will have repercussions on the country's currency. It will take more currency to buy the same quantities of imports.

My calculation is that if one takes the 1.5 million tons being imported by Colombia in 1988, and reckons at an average of \$200 per ton more the cost in the Colombian ports, that makes \$300 million more in currency leaving the country, which we could have saved if we had had a development policy here for national farm production. So economically speaking, we have a currency bloodletting. Socially speaking, we have the problem, too, that we are leaving our farmers and peasants without work while we import products we could produce.

From the standpoint of the family market basket there's not the slightest doubt it will have an impact. If the price of

imports goes up, then the price of chicken, of eggs, and of bread will go up, and I think it will be very hard for the government to avoid that. I hope they can. I'm not saying it will cause a tremendous distortion or inflation, but it will have an impact on prices, which would be very serious due to the prices of readjustment because of the drought and the lower production in the U.S., which is our main supplier.

EIR: We have information that the Soviets in particular have bought a good percentage of the harvest of Argentina and Canada, plus the U.S. harvest. My question is whether Colombia could get supplies—dear or cheap? Is Colombia going to be able to get food supplies?

Quintana: I can't exactly answer that right now. One has to look deeper and study the stockpile situation, the inventories, and the damage to the U.S. harvest especially. I think that at least for the next six months, there will not be a problem in getting the food we need. It will cost more, yes, but I don't think there will be a bigger problem because the main import product is wheat, and Idema says it has already bought and contracted for purchases of a bit more than 200,000 tons, already bought. That's the main import. It is similar with soya, so I think the situation will not be so bad that we'll be saying we cannot consume these foods.

But in the long term if things go on this way, with warfare over the international market, and if other countries in the world get into demanding and pressuring on this market, then we may have food supply problems. So that's where our initial proposal becomes more important: We have to seek food security in Colombia at all costs, a national production that develops agriculture, protects it, including subsidies, including tax breaks, just in order not to take big risks in the case of the uncertainty you have brought up, which you are right, has to concern us a lot for the future.

EIR: You mentioned the dismantling of development credit. What is this due to? You have mentioned that the World Bank put conditions on loans. Is that related?

Quintana: I think it did have some influence when a small business was contracted for the farm sector itself about two and a half years ago, and in the World Bank memorandum of conditions it was mentioned that the credit for agriculture had to be at commercial rates. We have had here a development credit rate which in general had favored the farm sector. So in that memorandum they said that the loans to the farm sector had to be at commercial rates, which meant no more development credit, and in fact, what we've seen in the past two years has been the gradual rise in the interest rates, fewer and fewer banking resources going to the farm sector, more and more problems in the Agricultural Financial Fund budget, and ever higher interest rates. So part of the explanation is the conditions of the World Bank. That is where we say that the government should not have accepted these conditionalities, but should have maintained the policy of stimulating

national farm production above all.

EIR: There have been many commentaries on violence in the countryside and its effect on production. What do you think of this?

Quintana: This is the most disturbing problem, the number-one problem of the country, which explains a lot of the stagnation and the problems the farm sector has. There is no doubt that violence, blackmail, extortion, and kidnappings explain a lot of the stagnation. This intimidates many farmers and has booted a lot of peasants out of the rural areas; it is influencing overall farm production; it is affecting the lack of new investments in irrigation infrastructure, drainage infrastructure, and grain milling, because given the instability and violence, the threats and the kidnappings, obviously there aren't going to be new people with new investments who are going to risk their resources in a threatened, intimidated, and totally unstable farm sector. So the violence and insecurity are very insidious and are affecting very seriously the farmers and cattlemen.

EIR: So your farm development program would have to be accompanied by a program of rural security?

Quintana: That's right; in the rural areas and throughout Colombia, the number-one priority is peace. At all costs. If that does not happen, any development policy will fail. If they gave us good development credit, cheap, if they gave us the means to import machinery more cheaply with a preferential exchange rate, subsidized, what happens if we can't get to the farms, what do we do if there is no security for this farmer and he can't increase his crops or develop his land? So the number-one problem and the number-one solution is peace, is achieving security.

EIR: Dr. Quintana, in a few days we will publish a special report on the U.S. drought, which is no natural disaster. Five years ago, Mr. Lyndon LaRouche proposed the building of a series of canals and water projects which would allow water to be brought down from Alaska. Unhappily, LaRouche's plan was not adopted by the U.S. government.

Quintana: Since you are on this subject, I had forgotten to mention one thing, which is the building of canals in Colombia. In the last 20 years, not one new irrigation district has been created in Colombia. For agriculture water management is the most important thing, so that you have water security and depend less and less on whether it rains or not. So, if in Colombia for 20 years there have been no new irrigation investments, that shows that really there has not been an interest in developing Colombia's agricultural production. There has not been the policy I mentioned. Now that you remind me, I am sharing this concern with you. It is one of the most important and vital themes to make an efficient agriculture. But in looking at the Colombian case, unfortunately we have not been able to advance much in this, either.