

Poor Utilization of the Land Behind Food Shortages in Venezuela

By Global Research News

Global Research, May 27, 2013

Venezuelanalysis.com

Region: Latin America & Caribbean

by Chris Carlson

As Venezuela continues to suffer shortages in many key food items and a dependence on food imports, some officials are pointing poor land utilization as a key cause of the problem.

Last week, Venezuela approved the import of large quantities of food from countries like Brazil to counter the continuous shortages in key items like chicken, cooking oil, butter, and toilet paper.

Analysts have attributed the shortages to delays in acquiring foreign exchange for imports, and government price controls that discourage production among the private sector.

But various officials have pointed to a deeper problem that goes back decades in Venezuela: the poor utilization of Venezuela's agricultural lands.

PSUV legislator Braulio Álvarez addressed the problem on state television last week, assuring that large landowners do not utilize their land to its potential.

"Large producers like those who make up [the producer's association] Fedeagro have left 30 to 40 percent of their lands uncultivated," he said.

Álvarez said that large landowners prefer to engage in speculative activities in currency exchange and imports rather than invest in producing their land.

"We have the capacity to produce much more," he said.

State officials insist that while food production has increased overall during the Chavez era, it has not been enough to meet demand and much more must be done.

As a result, Venezuela is now looking to get countries like China and Brazil involved in its agricultural sector, requesting their assistance in raising production.

Last week, China's Vice President Li Yuanchao took note of Venezuela's agricultural capacity during a visit to a farming project in central Venezuela.

"Venezuela has large expanses of land and favorable conditions for agricultural development. If they take advantage of it, the country has the capacity to be self-sufficient in agricultural products," he said.

But World Bank statistics seem to confirm the view that much of Venezuela's land is vastly underutilized. With a total land area of 92 million hectares, Venezuela cultivates less than 3 million.

The rest of the land is used for extensive cattle grazing, or left unused, a problem that has gone unchanged for decades according to statistics on land use.

The problem is linked to the existence of latifundios, large estates that are left at a low level of productivity by their owners who graze cattle on fertile land instead of cultivating it.

A similar situation exists in neighboring Colombia, where FARC negotiators have recently emphasized latifundio and extensive cattle grazing as the central problems that must be addressed if a peace agreement is to be reached.

Colombian Minister of Agriculture Juan Restrepo recently noted the severity of the problem in that country, where only 5 million hectares are cultivated out of a total of 114 million hectares.

"The value added of one hectare of cultivation is on average 12 times greater than a hectare dedicated to extensive grazing," he said.

The problem of underutilized land has been a major point of emphasis of the Venezuelan government since Hugo Chavez came to power in 1999.

During the Chavez government, nearly 4 million hectares (10 million acres) of land were expropriated from landowners who had left it idle or underutilized.

However, much of the expropriated lands have not been transformed into productive farms after being transferred to farmer's cooperatives or state companies.

This situation led President Nicolas Maduro to announce changes in recent weeks, including putting farms under the control of state governments, and bringing in foreign investment.

"We've decided to hand these farms over to the state governors, so that with the help of the Ministry of Agriculture they can convert them into models of food production," said Maduro recently.

Recent agreements signed with Brazil, Uruguay, China and Argentina all included plans for these countries to aid Venezuela in developing its agricultural sector.

Foreign Minister Elías Jaua noted that the Chinese and others will be transferring technology and aiding in the management of state-owned farms.

"We are teaming up to manage these farms together, so we can reach the level of efficiency necessary to make them useful to the Venezuelan people," he said.

Opposition politicians insist that the expropriated lands should be returned to their previous owners, and opposition leader Henrique Capriles has promised that if elected he would review all the expropriations.

The original source of this article is <u>Venezuelanalysis.com</u>

Comment on Global Research Articles on our Facebook page

Become a Member of Global Research

Articles by: Global Research

News

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca