

GRENADA

Honeymoon island on honeymoon

With its lush green hills and fast-flowing streams, its broad sandy bays and narrow tranquil inlets, Grenada is, by any standards, an island of dazzling natural beauty, the pride of those who live there and the envy of those who do not.

Yet, for all its beauty and tranquillity (or perhaps because of it) the country has had a remarkably violent history, and traces of past conflicts — whether between rival empires or rival classes — are to be found throughout the island today. At Le Morne des Sauteurs (Leaper's Hill) in St. Patrick's, the most northerly of Grenada's seven parishes, is to be found the cliff from which some 40 Caribs plunged to their death rather than surrender to French troops. In a church in the capital, St. George's, a monument commemorates the deaths in 1795 of 42 of the island's British community in a "horrid rebellion" instigated by "execrable banditti" (sic) "stimulated by the insidious arts of the French Republicans". And, sadly, not all the acts of violence go far back into Grenada's history. In the past decade alone the island has experienced the rigours not only of a coup, but of political

assassinations as well, not to mention a military intervention (albeit generally welcomed) led by the world's most powerful nation.

As might be expected, all this has left its mark on a country of fewer than 100 000 inhabitants: Politically, 12 years after independence, after two traumatic changes of government Grenada is now, in the Prime Minister's words (see interview p. 30) "back to square one". Economically, after a period of some disruption (particularly of course to the tourist industry), the island looks set to see her entire economic infrastructure overhauled in the decade to come. With considerable aid coming into the country, Grenada's short-term prospects look pretty bright. The Government's real challenge, (over and above the judicious management of those funds), may well be to pace the country's development in such a way that the economic activity now being generated can be sustained well into the 1990s and that the rising expectations of Grenadians can be fulfilled — and all this without damage to the fundamental nature of the island's way of life.

Richness in the soil

Grenada's richness has always been its fertile soil. Both the earliest known inhabitants, the peaceful Arawaks, and their more warlike successors, the Caribs, were able to maintain a highly nutritious diet of local produce from the land — root crops, beans, squashes, corn, papaya, guavas and a wide variety of other fruits and vegetables. In addition, there was the sea with its valuable sources of protein in the form of crabs, turtles, water fowl and fish of all kinds.

Other plants such as cotton and tobacco were also grown in limited quantities and it was the possibility of growing tobacco, a big money-spinner for colonial powers, that enticed would-be settlers to the islands in the early 17th century. The Caribs, thanks to their incredible fierceness, had managed to repel intending colonisers for many years, but in 1650 a party of French managed to settle on the island and the first tobacco crop was harvested in 1651, barely eight months after their arrival.

Tobacco and, later, sugar came to be the principal economic activities of the island, with the growing of cocoa, coffee and cotton expanding considerably in the first half of the 18th century. With this expansion came not only a huge growth in the island's population, (only 800 or so in 1700, the population had grown to 13 000 by 1750) but also a change in its nature, with thousands of slaves being imported by the French, and later British, colonisers to work the plantations.

Reliance on the "big four"

Grenada's richness now, two centuries later, still lies in her soil, though the patterns of cultivation have changed.

A wide variety of foodcrops continues to be grown for local consumption, but agricultural activity is overwhelmingly dominated by four major export crops — cocoa, nutmeg and mace (see separate article p. 34) and bananas. Coconuts, limes, lemons, coffee and cotton are also grown (the latter principally on Carriacou, where the land is less hilly than on the mainland).

Even so, further diversification is vital in the view of the Minister of

Agriculture, George Brizan (*), if the sector is to be revitalized. All three major crop industries are, in fact, depressed at present. The price of nutmegs, for example, was the lowest in 1984 for more than a decade, and the sector has operated at a loss for the past three years. Among the products which the Minister believes to have a bright future are avocados, mangoes, paw paw, guavas, sour-sop and passion fruit. Until the various problems affecting these products (poor marketing, poor storage, poor packaging...) are solved, however, the prosperity of the sector (on which over half the population depends) will continue to rely heavily on the "big four".

Grenada has not escaped the rough and tumble of commodity market forces, but it has, at least, had the advantage of having four products on which to rely rather than a single product, as is the case with some of her less fortunate Caribbean neighbours. Nevertheless, the going has not always

(* Mr Brizan's excellent book "Grenada: Island of Conflict" is to be much recommended to these interested in Grenada's history.

been easy. Not only have there been the vagaries of international trade to contend with, (including the effects of price and currency fluctuations), there has also been the weather.

With a climate the envy of at least three-quarters of the rest of the world, with plenty of sun and sufficient rain for the crops, Grenada nonetheless lies in the path of hurricanes.

On at least three occasions in recent history (Hurricane Janet in 1955, Flora in 1963 and Allen in 1980) damage to Grenada's major crops has been devastating and, in some cases it has taken years to bring production back up to pre-hurricane levels.

Bananas — ready markets but not enough fruit

Bananas, while vulnerable to high winds (40% of the 1980 crop was destroyed by Hurricane Allen) have the advantage of yielding a crop within a year of planting. It became a major crop (now the third most important) in the wake of "Janet", when the battered cocoa and nutmeg industries



Early morning fishing in Prickly Bay

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The Hon. George Brizan,
Minister for Agriculture, Forestry,
Land, Fisheries and Tourism



FAO - Martelli

Papaya (paw paw) cultivation. Diversification out of traditional crops is vital, and paw paw is one product with a bright future

were only just beginning their slow recovery.

It was not the first time they had thrived: there had been boom years in the 1920s, but an epidemic of *panama*, the most serious of banana diseases, had virtually destroyed the crop, for export purposes, in the 1930s and 1940s. In the 1950s a new variety was developed which was resistant to *panama*, and, as of this time, Grenadian production really took off. Bananas are now almost always grown in mixed stands, used as a nurse crop, with cocoa and nutmeg trees, and, while this has its advantages, it has the disadvantage of making disease control both more laborious and more expensive. The eradication of *moko*, in particular (a virus infection which attacks the banana plant's leaves), is one of the industry's top priorities at present.

Grenada's bananas have other problems, too. Post-harvest handling is not as gentle as it should be, so that the reject rate is high. (Grenada's bananas are actually harvested when they are about three-quarters ripe, since St. George's is usually the banana boat's first port of call in the Windward Islands and the crop will have another 12 days or so to ripen on the boat before reaching Britain, to which some 80% of production goes). The large

numbers of over-mature plants at present means also that production levels have been far below full potential in the past 5-10 years. This is all the more frustrating since Geest contracted, back in the 1950s, to buy all that Grenada could produce. Moreover, Geest would have no difficulty in selling more since the country's annual export quota of 20 000 tons to the U.K. has not been met for the past 15 years.

The country now has between 1 200 and 1 400 banana growers. The majority of these are on holdings of under four acres, though a number of large

plantations still exist. Egbert Barrett, Operations Manager of the Grenada Banana Association is hopeful of the industry's future. "Bananas are becoming more lucrative", he affirmed, "and they also provide year-round income. Moreover, more young people are returning to farming — the banks prefer the young!"

Cocoa: overage trees and overage farmers!

One of the problems of Grenada's cocoa industry, on the other hand, is age — both of the trees and of the farmers! (The average age of Gren-



The Courier

The fortnightly call of the banana boat at St. George's

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ada's farmers is said to be around 60). Cocoa's peak year was 1917, when some 14 million pounds were produced as compared with a current average annual production of only 5 million pounds. Until 1933 there were no controls over purchasing and marketing, with the result that producers were often badly exploited. (Moreover, the large estates, in particular, became a prime target of thieves, who were alleged to have transported stolen cocoa in coffins, presumably to terrify the curious).

Cocoa still ranks as the island's leading export crop, nevertheless, and has done for many years, usually accounting for some 30% of the value of agricultural exports. Many of the trees (some estimates put it as high as 50%) are between 30 and 50 years old, whereas optimum yields are obtained from 7-15 year-old trees. Moreover, overage trees are less resistant to pests and disease, although in the view of Mr L.A. Purcell, Chairman of the Grenada Cocoa Association (a slightly idiosyncratic view, it has to be said) disease was "a necessary evil — teaching growers to use and to maintain a labour force, and without which the industry would run itself".

In spite of this, Grenada's cocoa is of a very high quality, too good, in fact, for processing, because its fat content is too high, and more valuable for sale as a raw product where it commands a 5% premium over world prices.

Prices have been less volatile than for some other commodities, but what has affected revenues badly in past years has been the erratic movement in the sterling-dollar rate. While the EC\$ is tied to the US\$, most of Grenada's cocoa production (as with her other leading agricultural exports) is paid for in sterling, in the case of cocoa through the London Exchange, only a small proportion of sales being purchased directly by US manufacturers, in dollars.

High export taxes have also acted as a disincentive in the past, but the government has already moved to reduce the tax and there are plans to eliminate it totally in one to two years' time. A major replanting scheme, within the framework of a cocoa rehabilitation project, funded by the Canadian Development Agency, CIDA, and by the Grenada government, is



Sand, sea, sailing and sun. "Grenada's tourist product is an undeniably attractive one"

now under way and there are hopes that cocoa production will be tripled within 20 years.

Very little actual physical damage was suffered in the agricultural sector during the intervention in October 1983. Indeed, the sector stands to benefit a good deal by the large inflows of aid which have come into the country in the aftermath of those events. The sector which has, however, been considerably disrupted, and continues to fire on one piston only, is that of tourism.

"Grenada has all that the discerning tourist could hope for"

Grenada has all that the discerning tourist, in search of a peaceful, sunny,

comfortable, non-razzamatazz holiday could hope for. Good accommodation can be found, with excellent food, at prices which — unlike some Caribbean destinations, alas — are far from outrageous. The island boasts over 40 white sand beaches, fine sailing and diving, and interesting scenery. The carnival in August may not be Rio or Port of Spain, but the steel bands and calypso groups are just as enthusiastic and just as much fun is had by all. Grenada's tourist product is an undeniably attractive one.

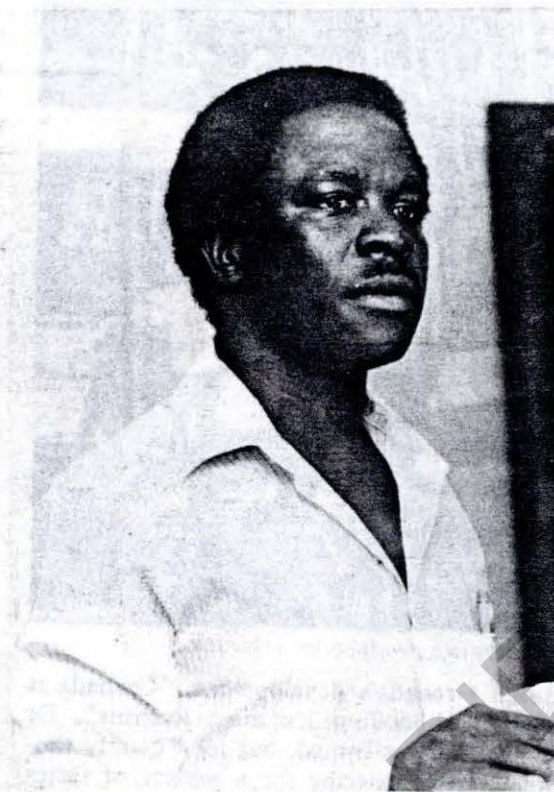
The intervention did do undoubted harm to the industry, though, including the actual loss of hotel accommodation. The biggest hotel, the Grenada Beach Hotel, formerly the Holiday Inn, on the famous and splendid Grand Anse beach, was used as living

quarters for the U.S. forces for several months, and although the bulk of the troops left the country in December 1983, the hotel, which is being extensively refurbished, is not yet in operation again.

More damaging still, though — in the short term at any rate — was the psychological impact made. Tourists tend not to like coups. Assassinations and military interventions they like even less. As a result, the number of stayover visitors dropped by 25% in 1983, and the number of cruise passengers (an important source of income to the traders in St. George's) fell to less than half their 1979 peak. While some 750 rooms were available to tourists in 1980, the figure had dropped to 400 or so by 1984.

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Happily, the tide is now turning. It may even prove to be the case that, in the long run, the effects of the intervention on the tourist trade will be beneficial. Isn't all publicity good publicity, after all? Whatever else Grenada's dramatic political upheavals may have done, they certainly put the island on the map. While the number of European tourists may have de-



The Hon. Keith Mitchell,
*Minister for Works, Communications, Public Utilities,
Civil Aviation and Energy*

clined (largely due to the strength of the dollar), that of American stayover visitors has increased steadily. So, too, has the number of visitors from elsewhere in the Caribbean — from Trinidad and Barbados in particular — who are increasingly favouring Grenada as

the venue of their summer holidays.

**Expansion — a
“chicken
and egg situation”**

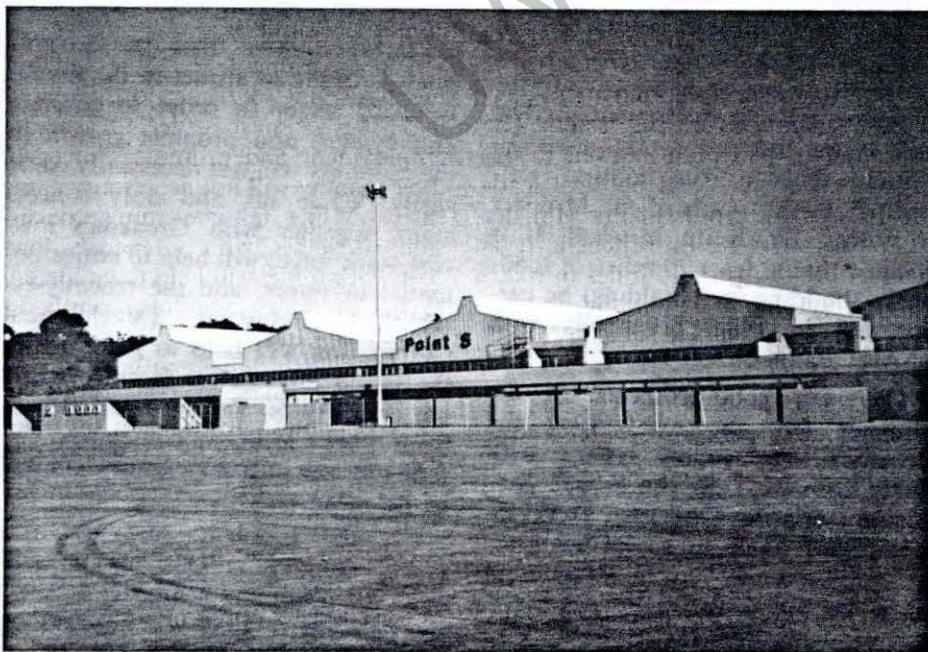
The 1985/86 season looks set, at any rate, to begin well. Some 200 cruise ship calls are scheduled for the season, 9 of which to Carriacou. Moreover, a big boost is expected to be given to the industry by the new airport at Point Salines, a scheme initiated by the former government, under Maurice Bishop, and which (because of its drain on resources) was probably also a contributory factor to his downfall.

The old airport at Pearls had no night landing facilities and, with a runway of some 5 200 feet, could only cater for small aircraft. Moreover, situated as it was, 18 beautiful but bumpy miles from the capital, it could hardly have been more inconvenient.

The new airport, completed with U.S. and Canadian assistance, has international capability and is far more easily accessible, both from St. George's and from the main tourist areas in the south-west. Point Salines is now operational. Hopes are that air traffic will increase significantly and that 1986 will see direct flights to London, in addition to the Miami and New York flights already operating. The New York and Miami routes are serviced by both BWIA and the newly-created Grenada Airways.

The problem is that, until sufficient hotel accommodation is available, airlines will not normally be willing to schedule regular flights. And until the tourists are seen to be coming, hotels will not necessarily be willing to expand. It is, as the Tourist Board's Chairman, Dr John Watts, put it: “A chicken and egg situation”.

Construction work on four hotel projects had, nevertheless, been started in 1985, which would provide some 300 additional rooms, and the Ramada chain has leased the old Grenada Beach Hotel, which will put another 200 rooms on the market. The



The new international airport at Point Salines. Hopes are high that it will stimulate not only the tourist sector, but the economy as a whole

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COMPIX - Commonwealth Institute

Small-scale farmers sending produce to Trinidad

government's target is to provide an additional 900 beds or so in the next two or three years and work on a further three hotels is to begin this year. As well as bringing in much-needed foreign exchange, expansion will, it is hoped, make a dent in the depressing unemployment figures, now estimated at 25% of the workforce.



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The Hon. Ben Jones,
Minister of External and Legal Affairs

Like the Government, Dr Watts is fully conscious of the need to conserve the island's natural beauty. There will be no skyscrapers. No hotel will have more than 300 rooms, and the architecture must be in harmony with its surroundings. Vital as the sector is to

Grenada's development, "Grenada is not looking for mass tourism", Dr Watts affirmed, but for "quality tourism, catering for a variety of tastes and a variety of pockets". He is also aware, though, of the need to pace tourist development, so that it is in line with that of the country's social infrastructure—its road, electricity and communications networks, for example.

A total facelift for infrastructure

Infrastructure was certainly in need of attention, not merely for the good of the tourist industry, but as a prerequisite if foreign investors were to be persuaded to set up employment-generating operations on the island. The road system had been allowed to deteriorate through "bad political leadership", in the words of the Minister of Works, Dr. Keith Mitchell. It is planned that at least 70 miles of roadworks (building or rebuilding) be carried out in 1986, principally with USAID grants or soft loans.

There were good prospects, too, the Minister felt, for overhauling the country's water supply system, with funds from the U.S., the French government and the Caribbean Development Bank likely to be forthcoming. As for electricity, the chief problem lay in the age of the generating plant, and in its insufficient capacity. Two new generators should come into operation in early 1986, although given

other improvements, the reliability of supply has already improved greatly on 1983 and early 1984, when cuts were all too frequent. Finally, the telephone system was due to be totally modernized and by the end of 1987 the country should have a fully digitalized system.

At the same time as the hardware of the various public utilities is being overhauled, efforts are being made to reorganize manpower to ensure efficient management of the sources available. The ministry itself has been reorganized and the utility services have had considerable success in attracting back to top management positions key Grenadians who had held positions of responsibility overseas.

And when the honeymoon is over?

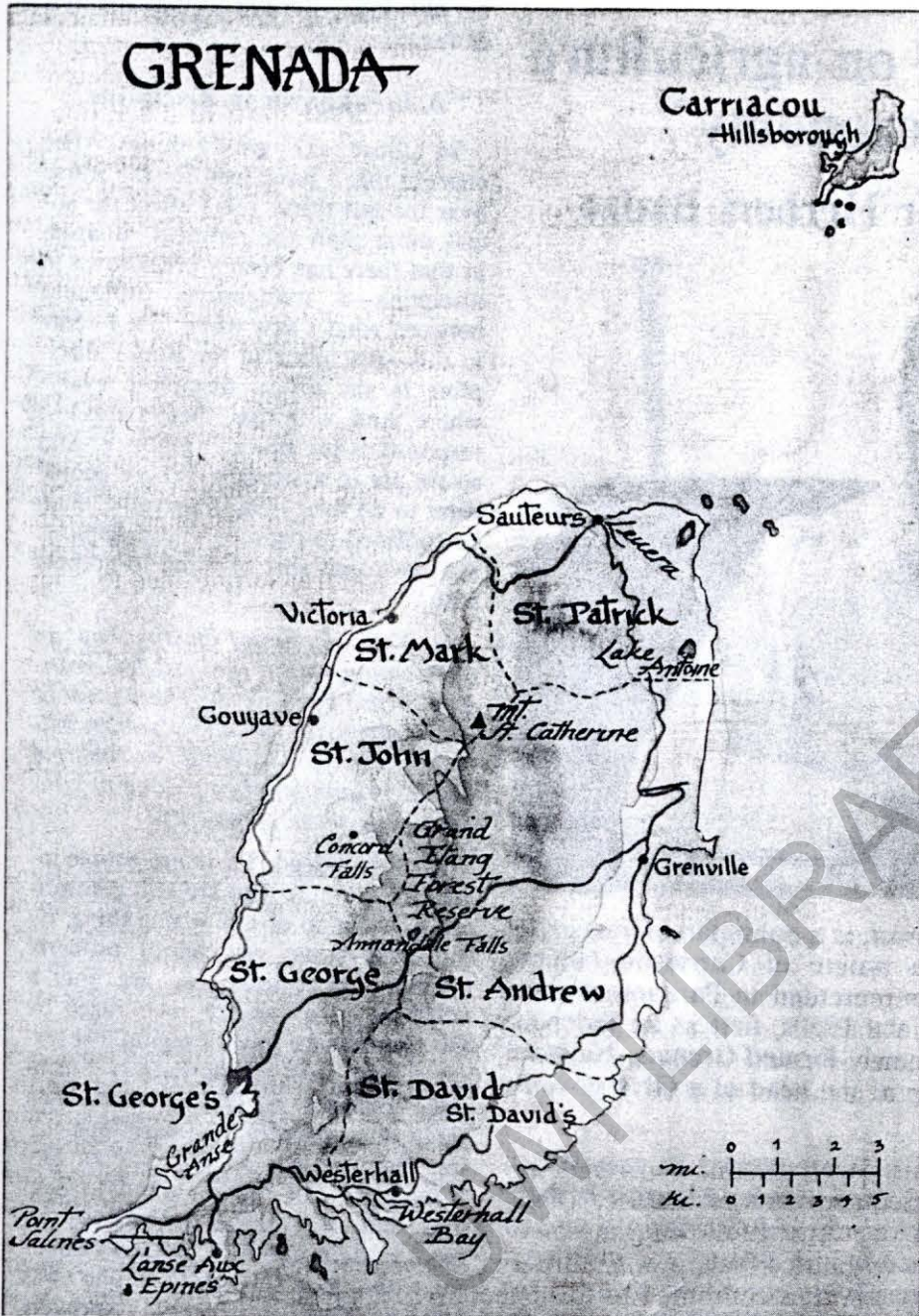
Grenada, now, can be likened to a young bride on a wonderful spending spree. She is spending wisely, though, investing in her future. But the honeymoon can't last for ever, and when it ends, what then? The Government is conscious of the potential dangers. Ben Jones, Minister of External and Legal Affairs, acknowledges that the man in the street has been given a sense of physical and economic security in the past two years which may be difficult to sustain. He is not alone in recognizing the temporary nature of present assistance, and the need to reorganize the economy so that it becomes self-sufficient.

The investment that the government is trying to attract to the manufacturing sector in order to generate employment and promote growth in the economy will not necessarily come easily. While tax and duty concessions, together with Grenada's low-cost work force, will help to entice potential investors, and the recently-established Industrial Development Corporation will help to guide them, the island nonetheless faces formidable competition for such investment from other Caribbean contenders. Catering for the post-honeymoon era will be no mean task.

For the moment, however, this lovely country is enjoying a well-deserved peace and a modest prosperity. Grenada in 1986 is a honeymoon island on honeymoon itself. ○

M.v.d.V.

Grenada at a glance



Area: 344 km² (Grenada, Carriacou and Petit Martinique)

Population: 93 000 (1983)

Rate of growth: -0.8%

Capital: St. George's

Currency: East Caribbean dollar
EC \$ 1 = US \$.37 *

GNP/capita: US \$ 836 (1983)

Principal economic sectors:

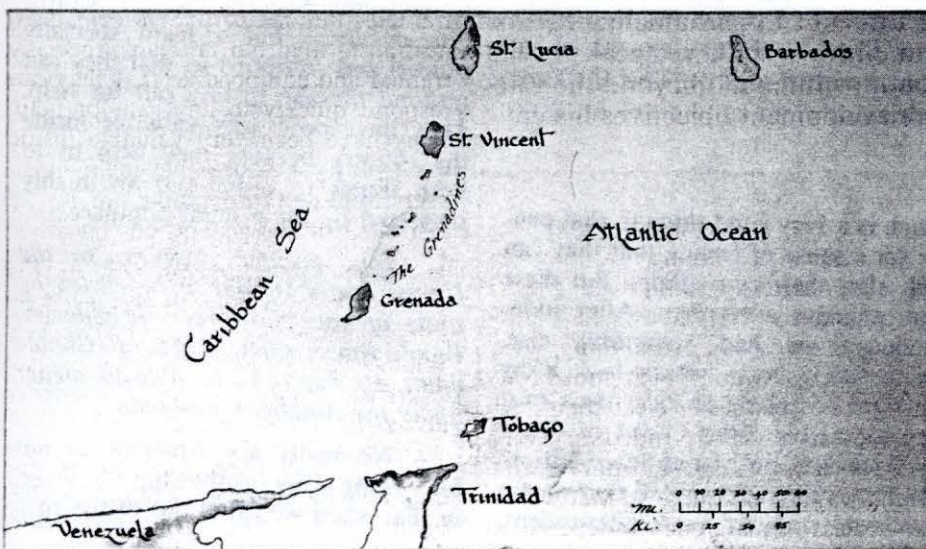
- Agriculture (main export crops: cocoa, nutmeg-mace, banana). Other crops: sugar cane, coconuts, citrus fruits, cotton (on Carriacou)
- Tourism
- Manufacturing (principally agro-processing).

Grenada comprises three islands - Grenada itself, the main island, together with Carriacou and Petit Martinique. The main island is the most southerly of the Windward group, with Carriacou and Petit Martinique lying a few miles to the north-west. It is mountainous, thickly wooded, contains many streams and is almost wholly volcanic. A number of crater basins exist in the centre of the country, as well as one larger crater lake, Grand Etang. The highest peak, Mount St. Catherine, is some 850 m above sea level. There are many beautiful creeks and beaches, particularly on the south and west coasts.

The country's present name is actually the sixth by which it has been known. The island's first settlers, the Caribs, called it Camerhogue. It was later baptised Concepcion by Christopher Columbus when he discovered it in the course of his third voyage of exploration in 1498. Shortly afterwards it was being referred to on maps as Mayo as well. Still later, other Spanish explorers dubbed the island Granada, as the lush green hills of the island reminded them of their own countryside back home. With the arrival of the French in the 17th century, Granada became La Grenade, and it was only in 1763, when the British conquered the French, that the island acquired its present name, Grenada.

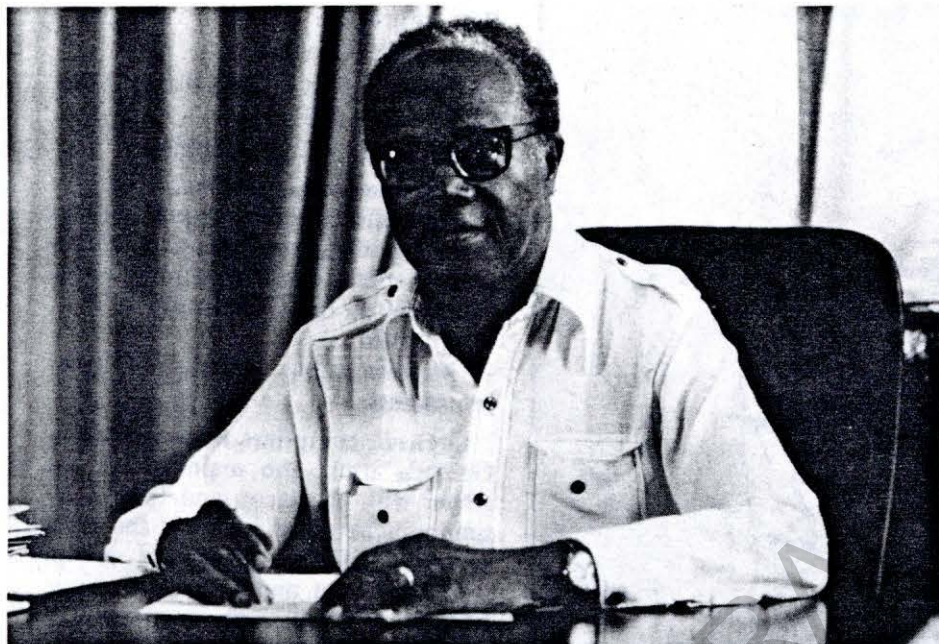
Grenada became independent on 7 February 1974. ○

(* Exchange rate at 15.1.86.



“We can’t just rely on agriculture to recover the economy”

declares Prime Minister Herbert Blaize



Herbert Blaize, Grenada’s Prime Minister, is a politician of vast experience. A distinguished lawyer, and a native of Carriacou (which, together with Petit Martinique, he has represented in Parliament since 1957), he entered the political arena in the 1950s, first as an independent, then as an elected member of the newly-formed Grenada National Party. In 1962 he began a five-year term at the head of a GNP government.

Following independence in 1974, his party remained in opposition, initially under Sir Eric Gairy and subsequently under Maurice Bishop. In 1984, during the period of interim government following the bloody political upheaval of October 1983, when Maurice Bishop was murdered by a rival faction of his own party, three parties combined to form the New National Party which, in December 1984 fought general elections under his leadership, winning 14 out of a total of 15 parliamentary seats. In this interview with *The Courier*, Prime Minister Blaize speaks of his country’s relations with its neighbours, both within and beyond the Caribbean, and of the social and economic development objectives his government is pursuing.

Prime Minister, you can look back over a long career in Grenadian politics. What, in your view, has changed for the better in the past thirty years, and what for the worse?

— Well, over the past thirty years we’ve had changes, both in the political and in the social situation in Grenada. Politically, we have moved from the colonial period to independence,

which is a very good thing in that people get a sense of feeling that they can look after their own affairs. But there were changes even then. After independence we had something else, which was a coup, which took away the right of people to elect their own representatives. That ended in disaster. And then we had an intervention, which was a good thing, so that we are now back to square one—independent,

but able look after our own affairs in a democratic way.

“A breakdown in discipline”

So those are good things. The changes that I have seen for the worse over the last thirty years affect the social more than the political situation in that there has been a breakdown in discipline—a tremendous difference between what I saw when first I came to this—discipline in the home, discipline in the office, discipline everywhere. And, with that, there’s also less response to the line of authority. And so we are in a situation where people want to do their own thing rather than be confined to regimen and discipline. We have that sort of thing to grapple with.

You mentioned having had an intervention within the past few years. You’ve also had a coup. There must be worry about the country’s vulnerability—whether to external or internal forces. Is anything being done to reinforce your sense of security?

— Yes, indeed. There are people inside the country who are still committed to trying to do the wrong thing. By ourselves alone we cannot properly provide the security—we are only a small state—so we are encouraged by the fact that we have a regional security system, with all the Eastern Caribbean countries. So that we all have an input into providing the base for helping one another. In the case of any trouble we can call on them to help and they will respond, because we have a Memorandum of Understanding with regard to that. Each one of us has a team of people specially trained—the Security Service Corps, not an army, but a team specially trained and equipped so that they can respond quickly to any call for help. They have been very valuable inside the country because they help us to keep things in order and are highly respected by the general populace.

Your present closeness to the United States is said to be envied by some of your Caribbean neighbours. Would you say that, in general, Grenadians are happy to be able to shelter under the American umbrella?

— We really see America as not only being a big brother but a rescuer, in that when we came out of the situ-

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ation in October 1983, which came about because of a coup within a coup, the people were so badly traumatized that when they got relief, principally headed by Americans, they tended to feel "God Bless America". So that America has become not only our natural neighbour and friend and protector, but a source of a feeling of security among the people of Grenada. If the Americans are around, not necessarily in the army, if they know they are within reach should anything happen, they feel secure. Not that they feel that they are a new colony of America or that they are subjugated to American dominance, but they have the feeling that America has helped them and will continue to help them in the face of need, but leave them to carry on with their own affairs.

► *Caricom went through a difficult period after the events of October 1983. Do you feel that the tensions have passed? Is there sufficient political will within Caricom for there to be forward movement towards economic integration?*

— So far as I have seen — and I have been to Caricom meetings since I have been elected—there is no evidence of tension within the Caricom states with regard to the Grenada situation. What has happened to Caricom is more a reflection of the international economic and trading situation which makes it difficult for countries to have a proper balance of payments. And Caricom is no exception to this situation. And so what we are trying to do within Caricom is to regularize the trading patterns among ourselves so as to ease the stress that has been brought upon us. Caricom has the will to get over the problems, but it's just one of those parts of the world that has those problems...



Slogans on a wall outside the capital after the invasion of October 1983

► *What about the OECS? Has inter-regional trade been of much benefit to Grenada?*

— There has been very little inter-regional trade, because the OECS countries are all about the same. They're all exporting agricultural crops and there is hardly anything one has that the other doesn't have. So there is not much inter-regional trade among us. Nevertheless we have an understanding which we want to develop further, so that there will be less competition among ourselves but a greater cohesiveness in relation to extra-regional trade.

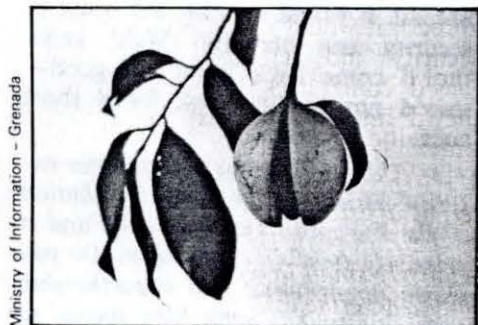
Lessening reliance on three crops

► *Agriculture is likely to give the major thrust to Grenada's economy in the near future. How do you plan to put new life into the sector?*

— In several directions. Agriculture has had a beating for the simple reason that we have been accustomed to having a certain number of primary products for export which have fallen on bad times. Prices have been bad

and even the acceptance of the goods has been somewhat slow. So agriculture needs a lot of help and we are providing it by means of diversification. We are going to try to lessen our reliance on only three export crops—cocoa, nutmegs and bananas—and try to see if we can help the farmers by providing incentives such as fertilizer grants, pilot projects and providing them with plants. We're also going to see if we could go into things like vegetables and fruit. We've already seen signs of recovery in that there's been an increase in the export of vegetables over the last year. We are going to try to develop this more and so spread the load from just three export crops on to a more widely distributed base.

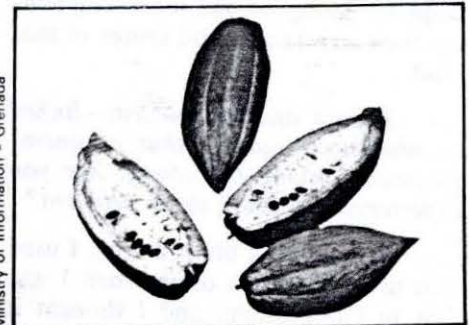
But we can't just rely on agriculture to recover the economy in the next year or two. So in the meanwhile we're going to develop our tourist industry. First of all we have to make sure that we have our infrastructure in place, so that we can get tourist hotels going. We are also going to do something about manufacturing. We've already invited several people to examine the possibilities, but we have to make sure



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John and Penny Hubley



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bananas, nutmegs and cocoa are Grenada's main export crops, but diversification is vital if the sector is to remain buoyant

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that we can provide the energy and the water and the communications. So these things are being taken care of now.

► *What are you offering in the way of incentives to private investors?*

— We do have an incentive programme. People who want to invest to provide employment through manufacturing have some tax incentives. They also have duty-free concessions. We've set up an Industrial Development Corporation to make it easy for investors to find the kind of incentives that would apply...

► *What about social development within the country. What are your priorities there?*

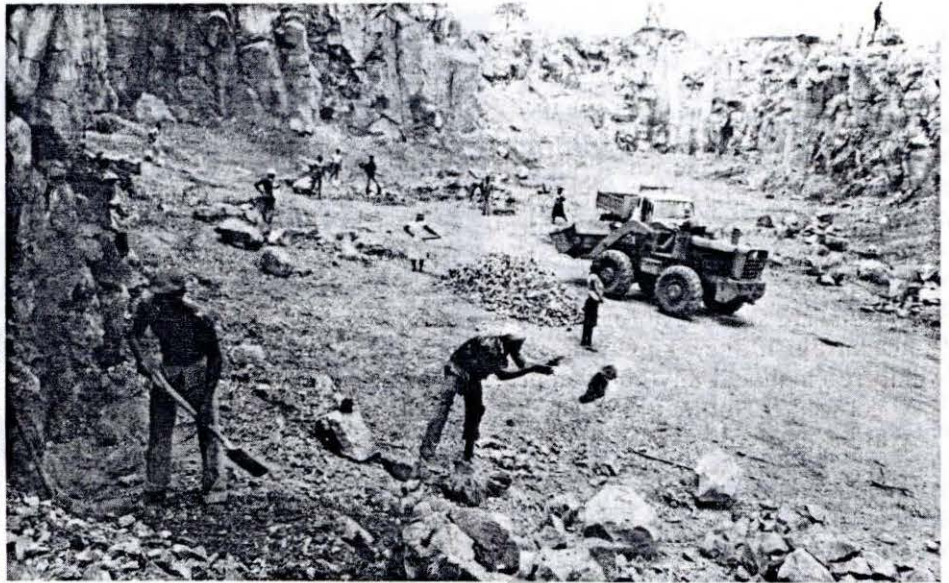
— Well, within the country we think our most urgent and demanding programme has to be in health care. And we are trying to set up a system of primary health care on the basis that prevention is better than cure. And so we are seeking, and getting, assistance from various areas, from the World Health Organization and Project Hope and all kinds of people, to put together this programme of primary health care. We are also trying to reemphasize the cooperative spirit among people. We will be trying to institutionalize cooperatives to make sure that the small people who cannot do things by themselves can do things together with their neighbours and friends and so help to develop their social and economic strength.

► *... and education?*

— Well, of course, education is vital in that it helps people to understand what role they can play in developing their lives. And we do have a wide range of educational programmes—self-help programmes, adult education programmes, scholarships for going abroad for strengthening their expertise... and things of that kind.

► *There's another problem—linked to education—namely that of unemployment among the young. Are you experiencing a brain drain problem?*

— You call it a brain drain... I used also to call it brain drain when I was first in Government and I thought it was the proper term. But nowadays people have got so sophisticated that



Road building: good for employment, essential for tourism and agriculture and vital if investors are to be attracted to the island



they call it "reverse technology transfer"! But brain drain fits the situation quite well.

This is nothing new—we've always had this problem of not enough employment locally for the people we have trained and educated, and they tend to get bored and to seek employment elsewhere. We don't know that we can halt that, but what we have to do is to expand the areas for employment within the country so that more and more people will be able to stay at home and make a living.

► *Have some Grenadians returned to the country since 1983?*

— Some have come back, and are

already in place. And we've got indications that many would like to come back, but we've only got to see where they could be, and what they could do. It's a good sign, because if Grenadians themselves return to give us the benefit of their own experience from abroad, it would increase the sense of security and stability. We'd know they'd come back home for good—they'd not be here just for a short time.

► *U.S. aid obviously dominates external assistance, and the contribution of the European Development Fund is relatively small in comparison. Do you think, nevertheless, that a partnership with Europe has something special to offer the country?*

— As a matter of fact I wouldn't call the European assistance small, or even modest. Because anything that comes to you and comes in time is doubly valuable. We're grateful for the European assistance in that, very early in the game, they started to help us with the reconstruction of roads, for

instance. The road from St George's, through St. David's on to Grenville has been built primarily with European assistance, and with a proposal for it to continue on to St Patrick's and Sauteurs—that's about 30 miles or more of roads! And that is an important contribution because if we have

proper roads we can help to reach different parts of the community and people who come to invest will want to be able to move freely around the country. The European assistance is very valuable, and very much appreciated. ○

Interview by M.v.d.V.

Grenada: a short history

The first people to settle Grenada, anything up to two thousand years ago, were Arawaks, an Amerindian tribe which had originated in the Amazon basin and had gradually spread northwards through the South American continent up into the Caribbean islands. Rock carvings and pottery dating from the period of their settlement are still to be found in the country today. Peace-loving and sedentary as they were, they soon fell prey to the ferocious Caribs who followed them to the island some thousand or so years later.

Also of Amerindian origin, the Caribs, a warlike and seafaring tribe, killed most of the Arawak men and enslaved the women. Military prowess was greatly prized by them, and they proved such fierce fighters (painting their bodies in times of war to further terrify their assailants) that, despite attempts by both British and French to colonize the island, they succeeded in maintaining their grip until the mid-17th century.

European interest in Grenada was wakened in the 16th century, following the discovery of the island by Christopher Columbus during his third voyage of discovery in 1498. A number of attempts were made in the early 17th century to settle there—the first in 1609 by a group of Englishmen, the second in 1638 by Frenchmen. Both attempts were unsuccessful. In 1650, however, a French expedition, led by one Monsieur du Parquet, then Governor of Martinique, succeeded in landing on the island (apparently welcomed, initially, by the Caribs) and promptly began to prepare for hostilities. When the Caribs discovered that they had been duped, relations soured and, in 1652, outright battle broke out.

The French, armed with muskets and cannons overcame the Caribs (though not easily) and virtually exterminated them. In 1657 Grenada (which had proved a financial disaster for du Parquet) was sold to the Comte de Cerillac for 1 890 livres. Seven years later, the Count was forced to hand the island over to the French West India Company, and when, ten years later, the Company was itself dissolved, Grenada passed directly into the hands of the French crown.

So began a period of French imperial rule which was to last close to one hundred years. It was a period of great expansion in agricultural activity (tobacco and sugar cane being the major crops at first, followed by cocoa, coffee and cotton). It was also a time of enormous population growth, with thousands of slaves being imported to the island to work the plantations. Many of the island's towns and estates (Gouyave, Sauteurs, Sans Souci...) still bear French names dating from this period.

In 1763, as part of a European war settlement, Grenada was ceded by the French to the British and it remained in British hands—with the exception of a four-year period later in the 18th century—until independence in 1974.

Politically, the planter class dominated the island until 1877, when Crown Colony government was introduced. Though a major slave insurrection had taken place in 1795 (the so-called Fedon Rebellion, named after the Free Coloured Grenadian who led the revolt), it was not until 1834, with the abolition of slavery in the British Empire, that plantocracy rule began its slow decline. The planter class dominated the island

until 1877, when Crown Colony government was introduced. Demands for self-government began to be voiced in the 1930s.

With emancipation came a gradual growth in the peasant population, though accompanied by little in the way of significant improvements in peasant labourers' working or living conditions.

Peasant discontent, simmering for years, came to the surface in 1951 with the emergence of E.M. Gairy's Grenada Manual and Mental Workers' Union (GMMWU). In elections held later that year, following constitutional changes, Gairy's party, the Grenadian United Labour Party (GULP) won a resounding victory.

Thereafter, up to independence, leadership alternated between the GULP and the Grenada National Party, led by Herbert Blaize. After independence, at which time E.M. (now Sir Eric) Gairy was at the head of government, the Prime Minister's style of government, widely regarded as authoritarian and corrupt, became increasingly resented by large sections of the population, and in 1979 he was ousted in a coup led by the New Jewel Movement, a radical left-wing party which had been formed in 1973. In October 1983, Maurice Bishop, the NJM's leader, was deposed and shortly afterwards murdered at the behest of a rival faction of his own party, precipitating an invasion of the island by a mixed US-Caribbean force.

A period of interim government followed, and general elections were held in December 1984 in which a newly formed party, the New National Party, headed by Herbert Blaize, won 14 out of Parliament's 15 seats. ○

The nutmeg: a spice story



They call Grenada the “Spice Isle” and the “Spice Basket of the Caribbean”, and not without reason. Spices account for two of Grenada’s four major export products and, as such, rank as important sources of income and employment for a large proportion of the island’s population. Among the many varieties grown are cinnamon, turmeric, cloves, bay leaves, allspice and ginger. But the greatest of all Grenada’s spices, the one which has risen to the heights of becoming a national symbol, featuring even on the country’s flag, is the nutmeg.

Red-brown and shiny, encased in mace—another spice—and surrounded by a fruit the size of an apricot, the nutmeg was introduced to the West Indies from the East Indies in the early 19th century. It is said to have originated in the Banda Islands which, in the 18th century belonged to the Dutch, who reputedly jealously prevented the nutmeg from being carried in a living state to any other country. When the Dutch lost the islands in 1796, nutmeg plants were spread to the Caribbean, to Penang and to India. In the Caribbean it established itself as a major crop particularly in those countries, such as Grenada or St. Vincent, where tree

crops rather than sugar or cotton predominated. By the 1840s Grenada’s yearly production had reached 2 500 tons—a level that was to be maintained, relatively evenly, until the year 1955.

1955: disaster strikes

In that year disaster struck. Hurricane “Janet” swept through the plantations destroying not only that year’s crop but 80% of the country’s production capability. For the next seven or eight years yields were down to 450 tons annually, and it was only in the late 1970s, more than 20 years after “Janet” that yields from new trees

brought production back up to its pre-hurricane level.

Grenada is now one of the world’s top three producers. Nutmegs are planted on some 6 500 acres, and all the products are exported. There are very few purestand fields, the trees being almost always interplanted with banana or cocoa trees to provide shade for the younger plants. Nutmeg trees grow to an average height of 25 feet (though old trees may grow to as much as 50 feet) and can bear fruit, without diminishing their yield, for a hundred years or more. The crop is harvested all year round. When ripe, the fruit splits open—revealing the nutmeg still wrapped in its ‘net’ of mace—and falls to the ground. Ideally the fallen fruit should be harvested every day, since the mace, in particular, deteriorates quickly, especially in the wet season when it can be affected by mildew. Daily harvesting is rarely possible, however, because it is simply not viable, and nowadays the nutmegs are more likely to be collected from the fields weekly or even fortnightly.

In Grenada the product is marketed solely through the Nutmeg Growers’ Association, which was formed in 1947 with the aim of regulating the market and cutting out the private export agents who reduced growers’ profit margins. The country now has some 7 000 registered growers, about half of whom are smallholders with less than one acre under cultivation. A further 40% of holdings are of between 1-5 acres, the remainder, a small proportion of the total, being plantations of anything up to 1 000 acres.

Local processing

After harvesting, the crop is taken to one of the Association’s 19 receiving depots, where the farmer is given an advance price per pound, the balance of which is paid at the end of the year by way of a “nutmeg bonus”. From there the produce is taken to one of three processing centres for shelling, grading and preparation for shipment. No grinding is done locally, partly because food manufacturers frequently prefer to grind their own spices (many, like nutmeg, lose their flavour rapidly once ground) and partly because servicing the industry could be a problem in a small country like Grenada.

Once at the processing centre, the first task (if it has not already been done at harvesting) is to remove the mace from the nutmeg while it is still soft and pliable. Its bright magenta colour at harvesting will change in the space of 3 or 4 months to a yellowish-beige. The nutmegs, faintly ridged by the mace casing, are then spread out in vast trays for 6 to 8 weeks to be dried, during which time great care must be taken to prevent insect damage, to which the spice is highly vulnerable. (In the past century it was common practice to give nutmegs a coating of lime before shipping them, to protect them from the ravages of beetles).

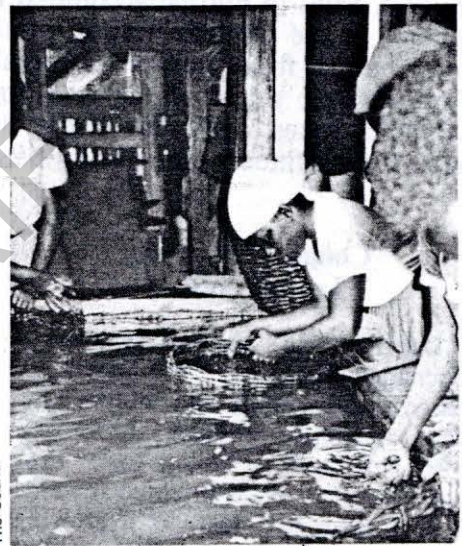
The Courier



After drying, the nutmegs are floated in large tanks to separate the sound kernels from the defective ones. The latter (which float) can be used to make nutmeg oil for sale in Europe or elsewhere. (U.S. regulations do not permit the consumption of nutmeg oil made from imperfect kernels). The shells of the sound nutmegs are then broken (the only mechanical process in the entire production cycle), the kernels are graded according to number of seeds per pound and loaded into sacks for shipment, usually by banana boat, to the various export destinations.

Above, nutmeg tree bearing fruit. When fully ripe, the fruit splits, revealing the nutmeg, encased in a net of mace. Below, on arrival at one of Grenada's three processing centres, the mace is removed while it is still soft and pliable. Right, the nutmegs are floated in large tanks to separate the sound kernels from the defective ones.

The Courier



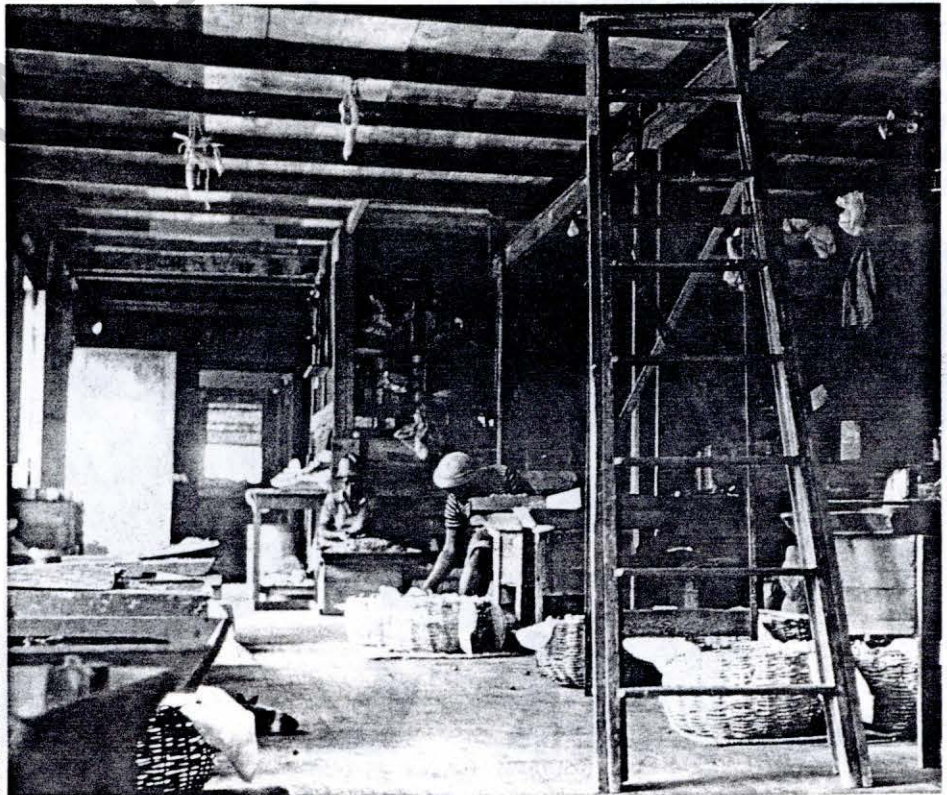
Nowadays some 60% of Grenada's production goes to West and East European markets. Some goes to Canada, some to the Middle East. South America would be a worthwhile market, but for the lack of shipping—a problem not experienced by Indonesia, the leading nutmeg producer, which ships via Singapore.

Hurricane Janet, in addition to the lasting physical damage it did, was also responsible for losing Grenada the valuable U.S. market. Before the hurricane, the U.S. accounted for 60% of Grenada's exports. Now it accounts for a mere 8%.

Despite the mixed fortunes of the industry in past years, (Stabex transfers have helped to cushion recent losses) the little nutmeg is still big business in Grenada. It does, after all, provide employment and income, either totally or partially, for nearly a quarter of the country's population—for the 7 000 producers and their families and for the 450 or so workers involved in processing and administration. Nutmeg, in Grenada, is a spice story with a happy ending. ○

M.v.d.V.

Grenada Tourist Board



EEC-Grenada cooperation

By Bob VISSER (*)

A brief look at the trade picture of Grenada should suffice to highlight the importance of the country's relations with Europe. Most of Grenada's export earnings derive from sales of nutmeg, cocoa and bananas to the European market. Since the beginning of the Lomé I Convention, this trend has in fact been strengthened by the provisions which come under that Convention and its respective successors. On the one hand, the banana industry is being given protection by means of the Banana Protocol, while on the other hand, adverse fluctuations in the proceeds of cocoa and nutmeg/mace are being cushioned by the Stabex facility. In 1984, overall export figures for the main crops amounted to EC \$27 million. Sales to Europe accounted for EC \$23 million. Apart from the impact of the implementation of the indicative programmes and the contribution from non-programmable resources on the economy of Grenada, the shape of the traditional trade links with the European Member States, and with Great Britain in particular, underlines the need for continued cooperation between Grenada and the EEC.

Cooperation under Lomé I and II

Deprived of mineral resources, Grenada's economy is essentially based on agriculture and tourism. Indeed, agriculture provides jobs for well over half the total labour force. Production, however, is oriented towards export crops and there is a growing concern over a situation where almost 30% of imports consist of cereals, beef and dairy products. Diversification of agricultural production with a view to becoming self-sufficient in food has therefore been identified as one of the priorities of government policy. Tourism

is expected to receive a substantial boost, since Grenada now has an international airport capable of taking long-distance jet traffic.

The awareness of the dominant role to be played by the agricultural sector has been reflected in the indicative programmes of all three Lomé Conventions in that the opening up of areas with poor access has been a priority. Although community centres, schools, health and port facilities have been and are still being constructed from EDF resources, it is the rehabilitation of the main roads (and particularly the Eastern Main Road), linking the rural areas to the port of St.

George's, which takes up the bulk of the programmable envelopes. It is interesting to observe that this policy towards EEC development cooperation was maintained throughout Lomé I and II, despite the diverging political views held by successive governments. Total EEC contribution over the last decade — EIB included, regional cooperation not included — amounts to ECU 19 million, out of which ECU 8 million was earmarked for the reconstruction of the rural main road network. The overall figure may increase, subject to the EIB's total input under Lomé III. With the exception of the risk capital loans from the EIB, all EEC funds so far allocated to Grenada have been grants.

Lomé III

In July 1985 a programming mission from the Community visited Grenada in order to establish, together with the Government, their cooperation programme for Lomé III.

A sum of ECU 4.5 m will be made available in the form of grants, to be used primarily for providing easier access to the area between Sauteurs and Grenville, notably by the extension of the Eastern Main Road. Various other schemes are foreseen in the productive sectors, in particular in small-scale enterprises.

In addition, a minimum of ECU 0.5 m will be provided by the EIB in the form of risk capital for financing projects in the fields of agriculture, tourism, manufacturing and energy.

Regional cooperation

Finally, Grenada, a member of the Organization of East Caribbean States (OECS) and the Caribbean Community (CARICOM) stands to benefit considerably from the EEC's regional programmes for the Caribbean. Under these programmes, the Community made available ECU 26 m under EDF IV and 62 m under EDF V, in support of economic development and regional integration (see Table II). A total of ECU 72 m is foreseen for regional programmes in the Caribbean under Lomé III. ◦ B.V.



Bob Visser (left), the EEC's Resident Adviser in Grenada, discussing the Lomé III indicative programme with Prime Minister Blaize

(*) Resident Adviser, Delegation of the CEC, Grenada.

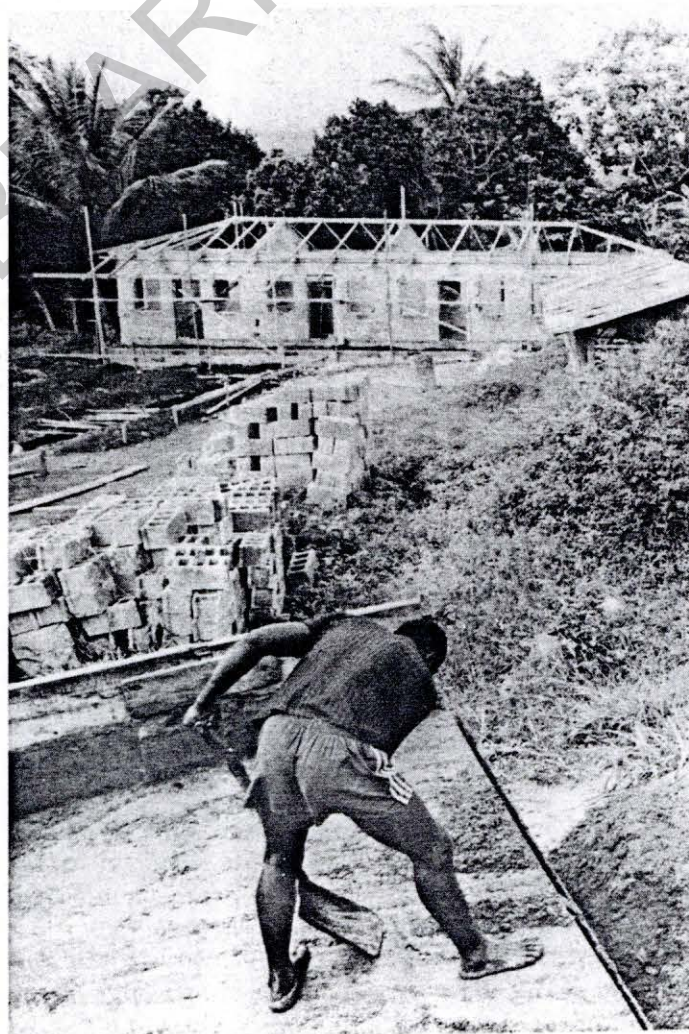
Table I: EEC - Grenada cooperation

	ECU	Total ECU
Lomé I		
Training Programme	80 000	
Extension of General Hospital	206 000	
Microprojects	243 000	
Eastern Main Road (Phase I)	1 432 500	
Studies	38 500	
	2 000 000	2 000 000
Emergency Aid		
Cyclone Allen (1980)	450 000	450 000
Food Aid	620 000	620 000
Lomé II		
Training Programme	150 000	
Trade Promotion	10 000	
Technical Assistance	155 000	
Hillsborough Jetty	409 000	
National Library	290 000	
Mirabeau Agri. School	230 000	
Eastern Main Road (Phase II)	1 500 000	
Institute for Further Education	450 000	
Tourism promotion	110 000	
Study Electricity Tariffs	31 000	
Reserve	164 000	
	3 500 000	3 500 000
Stabex		
Nutmeg/Cocoa beans	3 606 000	3 606 000
EIB		
Grenada Electricity Services (risk cap.)	2 400 000	2 400 000
Food Aid	1 000 000	1 000 000
NGOs	537 000	537 000
Lomé III		
Indicative programme	4 500 000	4 500 000
Minimum allocation (risk capital - EIB)	500 000	500 000
Total		19 113 000



Surfacing a section of the EDF-financed Eastern Main Road

Government of Grenada



Building work under way at the Mirabeau Agricultural Training School

Government of Grenada

Table II: Regional cooperation

Regional EEC-financed projects from which Grenada derives particular benefits. (EDF IV and V Regional Programmes for the Caribbean total ECU 88 million)

	ECU' 000
- University of the West Indies (UWI)	14 000
- Caribbean Tourism Research and Development Centre and Caribbean Tourism Association	9 200
- West Indies Shipping Corporation (WISCO)	6 300
- Leeward Islands Air Transport (LIAT)	5 750
- Regional Trade Promotion	2 425
- OECS Common Services	1 200
- Training in Environmental and Allied Health	1 115
- Moko Disease Control	495