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Food Security in the Central African Republic

The Central African Republic (CAR) is a challenging land to understand. It is a place where contradiction is the rule of thumb and safety an everyday battle. The country, while being abundant in fertile soil, lacks the infrastructure to employ it. While it enjoys peace in the South, it endures war in the North. Its government has endured many coups making it difficult for the current one to focus on the problems of its own people. This landlocked nation is in a state of perpetual disarray that endangers a very fundamental necessity for all people, food.

For my paper, I have elected to address the problems that face CAR's access to credit and the property rights of its people, its farming market infrastructure and on solving the problems that globalization and trade policies pose to food security to the subsistence farmers of CAR. The need to address these concerns is paramount. If they are not addressed, the quality of life for millions would degrade and years of progress destroyed. Without question, CAR's food security is in a precarious situation. In CAR, a landlocked country, the roads and navigable river system are vital in transporting crops to and from subsistence farmers. The degradation and minimal extent of the road system cause significant increases in the transportation costs of agricultural products. The limited access to credit for farming equipment coupled with competition from more efficient farmers in Western nations cripples a subsistence farmer's ability to provide for his family. Displacement of thousands of CAR's citizens caused by rebel warfare in the North takes from many their only way of providing for themselves, their land.

I will present, in this paper, an overview of the situation of these topics. After my analysis garnered from my researched information and own prior background knowledge I will also present what I believe to be an applicable solution to the problems this country faces.

The subsistence farmers of the Central African Republic are balanced on a knife's edge. On one side is continual suffering and a reduction of their standard of living. On the other side, is prosperity and the ability to secure the future of their families. The average subsistence farming family in CAR lives on less than 50 cents per person a day making them some of the poorest people in the world. Close to 1/5th of the children in CAR are malnourished and the average life expectancy is 43 years. The reasons for their poverty are numerous. Fortunately, I believe that all of these reasons are within the realm of possibility to fix.

Approximately 75% of the workforce population in CAR engages in agriculture making up 56% of CAR's growth domestic product. A large proportion of those engaged in agriculture are also subsistence farmers. The subsistence farmer's life in the CAR varies from region to region. In the South of the country the climate is humid equatorial but in the North they have hot dry winters and mild to hot summers. In the North rebel warfare from neighboring Sudan has spread into the region displacing thousands. This rebel warfare makes it difficult for subsistence farmers to grow crops as many of them are displaced during growing cycles and forced to live in the bush. With limited access to medical supplies and sanitary water, malaria runs rampant across the country, especially in the bush.

Peace talks with rebel factions have begun and need to be continued in order to return thousands of displaced persons to their homes. Government forces have in the past attacked villages suspected of harboring rebels and shot indiscriminately at innocent citizens, burning whole villages to the ground. Military law needs to be revised to clearly outlaw this action with severe penalties for its offenders.

The road system of the Central African Republic is in a state of dereliction. It currently is approximately 24,300 kilometers long stretched over 623,000 square kilometers of land. Only 5,400 kilometers of that are national roads and of that 700 kilometers are surfaced. The other 18,000 kilometers of roads are either degraded rural roads or regional roads with minimal government intervention. On this fragile system of roads nearly 600,000 tons of freight are shipped compounded with the daily traffic not involving shipping. Also the prevalence of bandits, particularly in Northern CAR adds to the insecurity of shipments. Being a landlocked country, CAR relies heavily on the country to its immediate west, Cameroon. The nearest sea port, Douala in Cameroon, is approximately 1,500 kilometers of roadways and administrative checkpoints away. The government currently has checkpoints stationed across many of its roads that require fees to cross. However, most of these fees are ignored in place of smaller bribes which are paid to the military personnel.

Fuel shortages in CAR often result from irregular access. In fact, 25% of CAR imports are petroleum products, most of which come through Cameroon. This heavy dependence on foreign fuel through a singular trade route is detrimental for transportation prices.

CAR's network of navigable rivers is underdeveloped. Only 2,000km of the 5,000km are useable and often times only for part of the year. The ports in the cities that receive goods by river are often in a state of disrepair and incapable of efficiently performing their duties. While only 60,000 tons of material are transported by the river, overhaul is still needed. The waterways are only usable 8 months a year due to water level and silt build up.

All of these factors contribute to high food prices in CAR. The additional transportation costs caused by these poor infrastructures restrict growth. Therefore I would place these in high priority when constructing any plan regarding food security.

I propose several plans to improving CAR's transportation infrastructure. In regards to the roadways, the need for their surfacing and repair is unquestionable. To attain this foreign assistance is crucial. A plea for foreign investment is necessary; the government has too little resources to enforce much of a change. Work for food programs sponsored by developed countries and nonprofit organizations could allow many families to earn a temporary source of food security while providing much needed roadway development. Additionally what the government could do, alongside their roadway maintenance program, is to implement a computer trafficking monitoring system counting all cars passing through checkpoints and then comparing that with the total money collected. A reduction in corruption could be attained from this by ensuring that all government money is collected. The official fees would have to be lowered to prevent transportation price hikes and military personnel pay raises in these areas would be necessary to ensure their loyalty to the government. In this way a sum of money could be raised and used to further the improvement roads.

To combat fluctuations in fuel prices and drops in supply, an improved regulatory system needs to be developed. The current system attempts to maintain constant prices by using a formula that adjusts the tax on petroleum products as prices rise and fall. The program so far has been deemed a success by the International Monetary Foundation. Increased cooperation among Cameroon and CAR to ensure a long lasting relationship needs to be developed. A reduction in Cameroon's administrative fees to products entering or leaving the CAR would lower costs for petroleum products and agricultural products. This could be achieved by providing incentives for Cameroon like loans or investment from the international community. Drops in fuel supply could be offset by building a reserve of gasoline large enough to support a small time period of consumption.

The waterways of the CAR could be improved by a work-for-food silt dredging team. Oversight by developed countries could allow for on the job training of workers eventually allowing the citizens of CAR to take over and perform the labor independently. In order to keep waterways working continuously 12 months a year, a water-level management system could be initiated, much in the same way the Panama Canal was done and allowing year long traffic on the river. A developed country could step in, build the system and manage it taking a small cut of the traffic revenue. Eventually over time the developed country would give control over the project to CAR. The port infrastructure overhaul would have to be financed either by foreign aid or tax revenue from CAR.

The measurement criteria for the success of all of these programs should be measured by the total money spent as compared with the relative transportation savings costs. Measurements should be taken by each prefecture of CAR, each region, and of the country as a whole.

An aspect that affects any country's success in any endeavor is its financial security. Currently the Central African Republic's business environment is ranked 177 of 178 countries by the World Bank Ease of Doing Business 2008. Basic access to credit is exceedingly difficult as there are only 3 commercial banks and one is partially owned by the government of CAR.

While CAR's laws support foreign investment (the law views foreign and domestic investments no differently), several factors resulted in only \$24,000,000 of foreign direct inflows in 2006. The African Development Bank report cited poor regulatory framework, the land-locked position of the country, and business registration as some of the problems. The global financial crisis also has not improved the situation in CAR. Inflation soared to nearly 10%, and foreign investment has dipped.

CAR's government has already taken steps to improve access to credit and the financial infrastructure of the nation. They have currently attempted to consolidate all loans from the banks into single packages allowing for easier fiscal management. Also the treasury's accounts are currently being gathered together into a single one in order to improve financial transparency. The current debt management system is becoming fully computerized for increased efficiency and allows for debt projections in various situations. The current syntaxes of government financial offices are being compared to provide symmetry across the offices. An automated taxing formula has been created for all petroleum products. This helps maintain an even cost and raise revenue.

Any change to credit access for subsistence farmers will have to be a multi-lateral effort made by both the national and international community.

The Central Africa Republic's government needs to focus on two things, short term credit access and long term sustainability. For short term credit access I believe the government should subsidize some of the risk taken by commercial banks in loans given to local communities for small farming equipments, seeds, and fertilizers. The government should limit these subsidies to subsistence farmers in the South and other stable regions because the loan risk is greater in the North due to rebel violence. As the condition in the North stabilizes the subsidy could be extended to them. The subsidy and the benefits of the new technologies would also have to be promoted in its target regions. A government review of all loans would need to be conducted to ensure the subsidy wasn't being abused and to keep commercial bank spending in check.

In the long term, the government of CAR also needs to continue to improve their financial regulatory framework also. The need to increase audits of wealthy taxpaying people and institutions (currently 30% of wealthy taxpaying people and institutions are audited) is imperative to prevent tax evasion and raise revenue to finance the subsidy and other programs. Also for local subsistence farmer's food security to improve, the tax revenue garnered from individual regions should increase the proportion of it spent on improving the region's important industries. This could create programs that educate farmers on topics like soil sustainability and optimizing their yield. A measurement of the success of these programs could be attained by totaling the increased production of the communities and dividing it by the total money spent to provide a cost effective analysis of the program's effect. Measurements should be taken by prefecture to provide an accurate analysis of an area.

In securing long term credit access for subsistence farmers, the Central Africa Republic's government needs to continue improving its fiscal management through the above mentioned methods. Special focus needs to be allotted to improving the transparency of the government. The transparency of the government is essential to ensure foreign investment and loans to CAR's government. Increased transparency allows foreign governments to more accurately ensure all monies are being properly dispersed and managed.

On the international stage, developed countries need to sustain their donations. Many developed countries already fund large projects and humanitarian efforts. Developed countries need to provide tax breaks or other incentives for companies that loan to the governments of financially troubled African regions that have achieved a level of political stability. The International Monetary Foundation has already placed CAR on its Heavily Indebted Poor Countries (HIPC) list, providing CAR with access to special debt-service relief over time.

The Central African Republic's crippled infrastructure, poor credit access and business environment, and land locked position put its subsistence farmers at a considerable disadvantage. Their lack of means, inability to attain the money they need for the means, and high transportation combine to form a considerable barrier for their continued food security. I believe however, that with a combination of foreign investment, government subsidies, government financial reforms, and efforts to improve the infrastructure of the Central African Republic this barrier can be surmounted. While the individual efforts of the Central African Republic's government may not be sufficient to overcome the problems, I believe that by working in tandem with the international community the problems can be gradually reduced and finally eliminated.

The energies of the Central African Republic's government should primarily be promoting the national infrastructure, improving tax revenue, increasing its financial efficiency, and developing micro aid efforts that promote the long term benefit of the subsistence farmer. All programs employed by its government should have an effective region by region measurement system in order to determine the cost effectiveness of the program.

The international community's support should primarily be focused on guiding and advising the Central Africa Republicans, providing their government, banks, and businesses with loans and engaging in humanitarian efforts.

With an improved infrastructure and improved credit access, the subsistence farmers of the Central African Republic will cease to be subsistence farmers. Their newfound skills and equipment will allow them to increase their productivity beyond the traditional levels of survival and allow them to reach new heights of food security.

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