

The Agricultural Sector in Lebanon: Analysis and Perspectives

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Reviewed by D. Neuwirth

This book examines the current state of the agricultural sector in Lebanon. Analysing the Lebanese agricultural sector is a difficult task owing to the lack of statistics. As a result, much of the analysis is based on information which the author had collected from personal discussions with people acquainted with the agricultural sector and on field surveys he himself had carried out. This has helped cover some of the deficiencies though it has prevented him from going into the more intricate details.

In the first part, the book deals briefly with the Lebanese economy as a whole. It covers the geographical distribution of the land farmed, the economic importance of the agricultural sector, the structure of the traded agricultural goods and their composition, and the export markets. It also deals with the agricultural commodities produced and the factors affecting their production, the marketing of agricultural products, the intermediaries involved in the trade of agricultural products, the factors affecting their production, and the timing of crops sales.

The second part deals with government policies and programs on the agricultural sector. With the exception of the provision of infrastructural services as well as an agricultural trading calendar, the Government adopts, on the whole, a policy of non-intervention. However certain large scale programs were adopted in the past, like the Green Project of 1963, some irrigation schemes, as well as guidance and consulting programs. Only recently, has the government started subsidising certain crops like tobacco, sugar beet and wheat to encourage farmers to plant these crops instead of the illegal ones. In 1993, the Government adopted a five-year plan, with partial financing, aimed among other things at improving the net income of farmers, increasing production and improving the markets for agricultural goods markets. Further political and administrative decisions have been made, such as the

construction of ca. 100 km of agricultural roads per year, the reactivation of guiding and consulting services (which ceased in the seventies to be taken over by the importers of fertilisers, pesticides and other similar factors of production), and the filling of vacant positions at the Ministry of Agriculture and related institutions. As for the provision of loans at low interest rates, this was a policy implemented throughout the fifties and sixties but discontinued owing to the lack of funds.

In the third part of the book, the Lebanese agricultural sector is placed within the international perspective, introducing the WTO, the ever rising interest in ecological matters, the changing tastes of consumers world wide, and the different marketing methods in the lucrative export markets. These four points reveal the importance of developing the agricultural sector by taking the new world situation into consideration, particularly when it comes to product exportation. In addition, the competitiveness of the agricultural sector in Lebanon is investigated by examining product quality, macro-economic variables, government intervention, innovation, access to information, geographical location, development of the markets, and the state of the infrastructure and transportation. A good summary of the points of strength and weakness of the Lebanese agricultural sector is provided in tabular form in this section of the book.

The fourth part is a summary of the three previous parts with conclusions and recommendations. It recommends further research in methods of reforming the sector, the necessary political reform, export crops, domestic and export markets, production efficiency, and others. Among the recommendations made to the government are: preserving the overall growth of the economy, advocating the export of agricultural goods (i.e. that production become more export oriented), improving access to loans and to market information, increasing market competition, improving the infrastructure, providing consulting and guidance programs to farmers, bringing together people who are engaged in agriculture and who have similar interests, and encouraging exporters to get together and to co-ordinate their export activities and set quality standards for the goods to be exported. As for the exporters, the author recommends that standards for quality be introduced and be adhered to, brand names be created so that the high quality products could be differentiated in the lucrative international markets, and exporters be represented in the export markets.