



Dominican Sugar

*A Macro View of Today's
Industry*

Table of Contents

INTRODUCTION	3
HISTORICAL BACKGROUND OF DOMINICAN SUGAR INDUSTRY.....	3
LATE 1800S.....	3
EARLY 1900S.....	3
MID 1900S.....	4
LATE 1900S.....	4
TABLE 1.0 SUMMARY OF LABOR ISSUES, PAST AND PRESENT	5
THE DOMINICAN SUGAR INDUSTRY TODAY	8
SUGAR PRODUCTION.....	8
<i>Table 2.0 Total Sugar Production by Company.....</i>	<i>8</i>
MECHANIZATION	9
LIVING CONDITIONS.....	9
LABOR CONDITIONS	10
CORE ISSUES FACING THE INDUSTRY TODAY	10

Introduction

The purpose of this report is to provide an overview of the sugar industry in the Dominican Republic. To lay the groundwork for understanding the current issues in today's sugar industry, the paper begins with a historical timeline of Dominican sugar from the 1870s to the present. A summary of primary labor issues throughout the last century is then provided alongside a comparison of the status of those issues today. A summation of main concerns is suggested with brief recommendations for addressing these concerns.

Historical Background of Dominican Sugar Industry¹

Late 1800s

Today's sugar industry in the Dominican Republic has its roots in the large-scale sugar plantations of the 1870s. At this time, the majority of participants in the industry were foreign – with fields and mills run by foreign owners and workers imported from nearby islands. The country is said to have had the lowest population density in the region and farmers had to offer competitive wages to entice workers to their fields. After dramatic growth in Dominican sugar production and export levels during the 1870s, the year 1883 brought a drastic fall in world sugar prices. This set the stage for a U.S.-Dominican trade agreement, signed in 1891, that reduced tariffs on Dominican sugar entering the US in exchange for reduced tariffs and eliminated duties on most US products. The U.S. quickly became the principal importer of Dominican sugar, a role that would continue virtually unbroken into the present day. The financial crisis that ensued in 1883 also served to redefine the major players in the Dominican sugar industry. Many small farms closed down or were absorbed into larger financial corporations, creating larger sugar industry players. Farms also put a freeze on wages, which led to a shortage of available local labor.

Early 1900s

The Dominican sugar industry continued to grow and expand both financially and geographically, becoming the largest local industry, the largest employer of labor and the largest generator of foreign capital. More and more land was converted for sugar cane production and San Pedro de Macoris became the sugar production capital of the country. By 1925, Inversiones Inmobiliarias (the original Vicini company) and the South Porto-Rican [*sic*] Sugar Company (today's Central Romana Corporation) were already two of the three largest sugar companies. During this period, there was a U.S. military occupation of the island during 1916-1924, underscoring this country's foreign dominance in the Dominican sugar trade.

Sugar farmers began to depend on imported "Cocolo" labor, or workers from neighboring European colonies in the Caribbean. These workers accepted lower wages and lesser benefits and working and living conditions than Dominicans. Documentary evidence of poor working conditions begins to emerge through U.S. State Department reports and the British Colonial Office, the former of which reported in 1910, "workers in the Dominican sugar industry 'are

¹ Information for the historical background was primarily derived from the book "Dominican Sugar Plantations: Production and Foreign Labor Integration," by Martin F. Murphy, published by Praeger Publishers: New York. 1991.

obliged to live in a vile and miserable manner.”² During this period, temporary foreign workers were prohibited by law from leaving the country during the sugar harvest.

Mid 1900s

During the period from 1930-1961 the country was under the rule of the dictator Rafael Trujillo. Trujillo began to take over the majority of the private sugar holdings, replacing the U.S. for a time as the most influential player in Dominican sugar. Anticipating what lay ahead, most foreign sugar companies ceased all investment in their sugar mills and did not upgrade or adopt the modern technologies that were emerging in the 1950s. By 1956, all of the country’s sugar mills – with the notable exception of Central Romana and the three Vicini mills, Angelina, Cristobal Colon, and Caei – were part of the Trujillo family holdings. After his assassination in 1961, his sugar holdings became the property of the Dominican state, which in turn became the largest local producer, today known as the Consejo Estatal de Azucar (CEA). The U.S. again occupied the country in 1965.

During this period, foreign labor shifted from primarily Cocolo labor to Haitian. Despite a 1937 massacre of as many as 25,000 Haitians in the Dominican Republic, in 1938 an importation contract for temporary Haitian harvest workers was formalized with Haiti. Under Trujillo, Haitians came to replace all other agricultural workers as the principal labor force. “Officially permitted clandestine migration” begins, with the armed forces and police acting as recruiters to meet the labor needs of the nation’s largest industry.

Late 1900s

Following the death of Trujillo and the U.S. occupation, the Dominican sugar industry again established strong trade relations with the U.S. Sugar production boomed in the 1970s, with total output of raw sugar over 1.2 million tons. Production then declined into the 1980s.

This period also saw a flurry of academic research on the bateys, with various books and texts published by social scientists documenting the conditions of Haitian migrants. International human rights groups pressed the Dominican government on issues surrounding the treatment and living conditions of sugarcane workers and the legal status of their children born on the bateys. Popular film and media interpreted these issues and portrayed them to a wider international audience.

In 1981, a complaint was lodged with the International Labor Organization (ILO), alleging Dominican non-observance of the forced labor conventions due to treatment of Haitian workers in the sugar industry. An ensuing investigation concluded that forced labor had been exacted from Haitian workers and “in the case of annually contracted workers the Governments of both Haiti and the Dominican Republic bore responsibility.”³ The ILO supervisory bodies continued to review the issue with both governments for the next two decades.

With the fall of Haiti’s Jean-Claude Duvalier in 1986, the formal importation contract ceased. Haitian migration continues and is primarily clandestine. As many as 90% of Haitians at this time are either seasonally imported or undocumented workers.

² Murphy, “*Dominican Sugar Plantations: Production and Foreign Labor Integration.*” Praeger: New York. 1991.

³ *Stopping Forced Labor*, International Labor Organization, 2001.

Table 1.0 Summary of Labor Issues, Past and Present

The following table provides a summary of the main labor issues in the Dominican Republic's sugar industry, based on various studies and publications from approximately the last twenty years. Those issues that appear to have been consistently present over time are indicated in the column "Past (1870s – 1980s)." The current status of those issues in the present is indicated in the far right column, "Present (1990s-2000s)." This list, while not intended to be exhaustive, should provide an overview of the primary historical concerns in the sugar industry as recognized and reported by researchers and institutional authors.

ISSUE	DETAIL	Past (1870s – 1980s)	Present (1990s-2000s)
Trafficking	Recruitment	Soldiers arrest Haitians near the border, steal their money, destroy their papers, and send them to work in the bateys. ⁴ Middlemen recruit workers at border on behalf of CEA and ship them to bateys.	Recruitment of Haitian labor by Dominican sugar companies no longer appears to be in practice. ⁵ However, the Dominican government continues forced deportations of Haitians. ⁶
Forced labor	Contracts	Required to complete contract prior to returning to home country. Contracts in Spanish, not Creole. Copies of contract not provided to workers.	Dominican state passed legislative reforms to improve enforcement of terms of contract.
	No freedom of movement	Cannot leave prior to end of harvest. Armed guards or soldiers enforce this. ⁷ Some have wages withheld to prevent their departure.	Workers are no longer forced to remain on plantation during harvest. ⁸ Workers can rescind employment and leave at their own will.
Stateless people	No papers for workers	Those with legal papers may have papers destroyed. Others are illegal workers. Lack of work permits make them vulnerable to abuse and also to deportation campaigns.	Dominican state passed legislative reforms to provide temporary work contracts for Haitian cane cutters. However, mass deportations continued, targeted at minors and the elderly. ⁹
	Children born on bateys	Despite provisions of the Dominican constitution, Haitian children born on the	The Dominican government requires that non-resident women register their

⁴ Regnier, Michael, *Black Sugar*. National Film Board of Canada. 1989.

⁵ U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 2007.

⁶ ILO Report of the Committee of Experts on the Application of Conventions and Recommendations, 2008.

⁷ ILO Report of the Committee of Experts on the Application of Conventions and Recommendations, 1998.

⁸ U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 2006.

⁹ Presidential Decree 233-91, 1991. <http://www.webster.edu/~corbetre/haiti/misc/topic/dominican/conception.htm>

ISSUE	DETAIL	Past (1870s – 1980s)	Present (1990s-2000s)
		bateys are denied citizenship. Most do not have any papers.	newborn at their national consulate.
Child labor	Children cutting cane	Children as young as 10 years old may work cutting cane with parents.	ICFTU maintains child labor still increasing. ¹⁰ Dominican government undertakes eradication program with ILO/IPEC. ¹¹ Site visits conclude child labor not used in sugar, but outside sources indicate it continues to be a problem. ¹²
Poor working conditions	Under minimum wage pay	Workers cheated of pay when cut cane is weighed on the scales. Weighers retain portion for themselves and others.	Government reportedly agreed with trade unions to allow union observers when cane is weighed. ¹³
	No benefits provided	No vacation or leave time, and no social insurance was provided.	The State Dept reports that workers still do not receive medical benefits. ¹⁴ CSCC observed that one private company does provide these benefits.
	No PPE provided	PPE was more expensive than engaging a new worker and was normally not provided. ¹⁵	No recent literature was seen on this issue. CSCC observed that one private company issues boots and goggles to workers but the goggles are not regularly used. The PPE is still considered to be less than what is provided in other countries, which includes reinforced boots, gloves, and shin guards.
	No meal breaks	Workers not permitted to take rest breaks or meal breaks during the work day.	No recent literature was seen on this issue. CSCC observed that one company and several independent farmers allow workers to set their own work and rest

¹⁰ ILO Report of the Committee of Experts on the Application of Conventions and Recommendations, 2004.

¹¹ *Stopping Forced Labor*, International Labor Organization, 2001.

¹² U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 2007.

¹³ *Stopping Forced Labor*, International Labor Organization, 2001.

¹⁴ U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 2007.

¹⁵ Murphy, " *Dominican Sugar Plantations: Production and Foreign Labor Integration*." Praeger: New York. 1991.

ISSUE	DETAIL	Past (1870s – 1980s)	Present (1990s-2000s)
	Abuse, police force	Heavily armed soldiers patrolled bateys and prevented workers from leaving. Physical force was used to control worker movement. ¹⁶	periods. No recent literature was seen on this issue. ¹⁷ CSCC observed that workers at one company and on several independent farms were not monitored by guards and enjoyed freedom of movement.
Poor living conditions	No water	Water provided once every 15 days on some bateys. ¹⁸	Regular access to potable water is still a challenge in bateys, especially those that are associated with abandoned sugar mills. ¹⁹
	Not enough food	Workers are malnourished, passing several days without food. Daily diet is flour, corn, rice and a few vegetables. ²⁰	No recent literature was seen on this issue. CSCC observed that workers from one company ate 2-3 times per day and purchased at least one meal from a local food vendor.
	Overcrowding	Families and single men crowded into barracks or houses.	Families of 5-10 still crowd into small 1-2 room houses. ²¹
	No toilets or latrines	An entire batey community may have only 2-3 latrines which usually do not work.	Bateys continue to struggle with adequate sanitation systems. Latrines are usually full and unusable.
	No electricity	Bateys lack access to electricity.	Access to electricity continues to be irregular. Some bateys have it and some do not.
	Poor housing construction	Bateys are poorly constructed, usually of wood and are susceptible to destruction in hurricane season.	No recent literature was seen on this issue. CSCC observed that one company has provided more solid housing construction of concrete and is working to create new communities to replace old bateys.

¹⁶ ILO Report of the Committee of Experts on the Application of Conventions and Recommendations, 1998.

¹⁷ Notably, the issue is no longer discussed on more recent ILO Committee reports from 2004-2008.

¹⁸ Regnier, Michael, *Black Sugar*. National Film Board of Canada. 1989.

¹⁹ U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 2006.

²⁰ Regnier, Michael, *Black Sugar*. National Film Board of Canada. 1989.

²¹ U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 2006.

No access to services	No health care	Injured workers do not get treatment. Most prevalent diseases are parasites, diarrhea, vomiting caused by way they live and quality of water. Some TB, skin diseases from lack of hygiene. Syphilis and STD reach astronomic proportions. ²²	No recent literature was seen on this issue, though various NGO groups provide services to bateys. CSCC observed that one company has provided staffed clinics on approximately half of their bateys and provides ambulance transport for bateys without clinics.
	No schools for children	Access to schooling is not provided to children living on the bateys.	Reports of inadequate schooling on bateys persist. ²³ CSCC observed one company has constructed and staffed schools on a majority of their bateys and have undertaken education programs with child-focused NGOs.

The Dominican Sugar Industry Today

“The batey today is not the same as fifty years ago or three years ago. There is a new vision of the batey and the people of the batey.” - Maria Virtudes Berroa²⁴

By the 1990s, international pressure and trade conditions began to bring significant changes to the industry.

Sugar production

Sugar production continued to decline into the 1990s, mainly “due to technical, administrative, and financial difficulties with the state-owned sugar mills controlled by the State Council of Sugar (CEA), the major producer.”²⁵ Ten of the twelve state-operated sugar mills were closed and two were leased to private groups.

Table 2.0 Total Sugar Production by Company

SUGAR MILL	MY 2007	MY 2008 Estimates
Central Romana	370,270	365,000
Grupo Vicini (CAEI)	61,716	69,000
Porvenir (CEA)	0	3,000
Barahona (CEA)	50,200	53,000
TOTAL	482,186	490,000

Source: USDA Report, INAZUCAR

²² Regnier, Michael, *Black Sugar*. National Film Board of Canada. 1989.

²³ U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 2007.

²⁴ Conversation with Maria Virtudes Berroa, Executive Director of the Batey Relief Alliance (BRA Dominicana.)

²⁵ USDA Foreign Agriculture Service GAIN Report, Dominican Republic Sugar Annual 2004

The closure of so many state-operated sugar mills resulted in a large-scale abandonment of sugar farm land, and as a result, of the bateys situated on those lands. A 1999 State Department report indicates that police were used to remove former sugar workers from the land, including those with a decade or more of residence.²⁶

Mechanization

Importantly, today's Dominican sugar industry has begun to mechanize. In 2006, 10-15% of sugarcane was harvested mechanically. That same year, a USDA report stated, "The degree of mechanization will not increase in the future, unless labor costs increase, which is not likely."²⁷ Yet by 2008, the industry had mechanized 20-25% of production. USDA then reported, "the degree of mechanization may continue to increase, as operating costs increase and fewer cutters are available."²⁸

The implications of mechanization are important in the discussion of labor conditions, since mechanization ultimately means less jobs for workers. Looking at Table 2.0, it appears that the total sugar output year to year for 2007- 2008 is comparable. However, the total number of workers required for the industry has declined with the advent of increasing mechanization. In 2007, 30,000 full-time workers and 15-20,000 temporary workers were required during harvest. In 2008, this dropped to 25,000 full-time workers and 15,000 temporary workers.

Living Conditions

Hurricane George dealt devastation across the island when it hit September 22, 1998. Coupled with the closure of so many CEA operations, unemployment reached 40% at the time. The bateys of the CEA were among the most endangered communities.²⁹ In a report released by US-AID in 2001, the organization reported that 21.7% of housing on abandoned CEA bateys was completely destroyed by the Hurricane.

According to the NGO Batey Relief Alliance (BRA), the most urgent needs of batey residents today are access to healthcare, access to water, and overall living conditions. There are mothers with eight children sleeping on folded cardboard with clothes stacked on top as a cushion. (BRA works to get mattresses for them).

"If it rains outside, it rains inside."

The houses are poorly constructed and after time and exposure, many are falling apart and literally falling over. NGOs like BRA and IDDI work on bateys to build new houses and repair others.

Sanitation remains a challenge. Most bateys are built with community latrines but they are all full. Sources of water can be far away and water may require purification. There are no trash collection systems in most bateys.

While some companies, like the Grupo Vicini, have undertaken ambitious reconstruction projects, others may be doing much less, if anything. The state does not appear to accept

²⁶ U.S. State Department, Country Report on Human Rights Practices, Dominican Republic, 1999.

²⁷ USDA Foreign Agriculture Service GAIN Report, Dominican Republic Sugar Annual 2006

²⁸ USDA Foreign Agriculture Service GAIN Report, Dominican Republic Sugar Annual 2008

²⁹ Yanguela, Argelia Tejada, *Bateyes del Estado*. US-AID: Santo Domingo. 2001.

responsibility for the people still living on their abandoned farm land, although they have granted access to several NGOs to conduct aid projects on their bateys.

Labor Conditions

According to a 2001 International Labor Organization report, “the Government of the Dominican Republic has taken a number of steps to improve the situation:

- moving against intermediaries who were engaged in improper recruitment;
- introducing written contracts of employment;
- agreeing with the trade unions to provide for observers when the sugar cane is weighed;
- changing the ticket system from a monthly to a weekly basis;
- assigning labor inspectors directly to the six plantations concerned, with an emphasis on the supervision of working hours and wage payments;
- and revising the Labor Code, with ILO assistance, taking into account the past difficulties encountered.”³⁰

Even local trade unions acknowledged certain government reforms had been made to ensure compliance with labor contracts and dismissals of plantation overseers for misconduct.³¹

Despite this acknowledgement from the international community, human rights groups and local NGOs continue to push for change and improvements in the conditions of Haitians on the bateys, noting certain contradictions between some government efforts and the realities on the ground. For example, the government now requires sugar companies to pay guest worker fees for their use of foreign labor. However, the government has failed to deliver on its part by issuing temporary work permits to the workers. Therefore, many workers remain undocumented even though their employers have followed the required legal process.

Core Issues Facing the Industry Today

“The situation on the bateys in general should be worse now that the CEA has withdrawn from so many bateys.” – Fernando Ferran³²

ISSUE	RECOMMENDATION	EXAMPLES
Abandoned farms and bateys of the CEA	Industry-coordinated effort to replace or transition bateys into self-sustained communities	Batey Relief Alliance works on CEA bateys to offer healthcare support. Pull together groups like this with a longer-term vision and mandate.
Payment of guest worker fees but no registration for workers	This is difficult to resolve, as it is a challenge presented by the government’s failure to follow through on their own policy.	N/A

³⁰ *Stopping Forced Labor*, International Labor Organization, 2001.

³¹ ILO Report of the Committee of Experts on the Application of Conventions and Recommendations, 1998.

³² Conversation with Fernando Ferran.

ISSUE	RECOMMENDATION	EXAMPLES
Cane worker jobs replaced by mechanization	Ensure batey residents have new employment options. A cane worker job re-training program may be launched. Women, who often do not work, should receive training and support in new enterprise opportunities.	<p>Batey Relief Alliance promotes self-sufficiency through micro-credit schemes and new employment opportunities, including candle making, artisan crafts, and construction.</p> <p>Some community organizations are beginning to cultivate the abandoned land with cash crops. They need technical training to succeed. BRA provides support.</p>
Housing situation – improving sanitation, access to water and electricity	In order to ensure communities have access to these services, it may be necessary to relocate some of the communities, following the model being put forth by the Grupo Vicini.	<p>Grupo Vicini has undertaken to construct four new communities that will eventually replace the old bateys. These new communities will have access to services and will eventually transition into self-sustained municipalities.</p> <p>BRA is working to create cooperative management for bateys to allow for on-going system to manage resident issues through the community itself. Must consider platform that allows undocumented residents to participate.</p>
Access to healthcare	Different NGOs are working to address issues of healthcare in varying regions and bateys. This is difficult to resolve, as a concerted effort would still require additional funding and support to ensure access.	<p>Especially on CEA lands, NGOs struggle to provide adequate treatment. There is not enough funding for them to meet needs of so many bateys and ensure sufficient medicine for those requiring treatment.</p> <p>Grupo Vicini has established clinics on half of their bateys.</p>
Education of children	Public schools are only required to accept foreign children up until the 5 th grade. Without proper documents,	Grupo Vicini is expanding schools available to batey residents. One school with a current capacity for 400 will

ISSUE	RECOMMENDATION	EXAMPLES
	foreign children can't enroll in school. Local initiatives can work to provide access but there are also government level challenges with this policy.	take students through the completion of secondary school.
Child labor used by small independent farms	Child labor is still existent in the industry. Efforts at eradication should be industry-wide, rather than company by company. This will ensure the branding of the Dominican sugar industry as a whole as being child-labor free.	Grupo Vicini has publicized their efforts to eliminate child labor on their mills and verify child labor is not used by their independent suppliers. Suppliers found using children will have their contract cancelled.
Apparent apathy of government	The disinterest of the government in engaging in problem-solving on any of these issues presents a challenge to the industry. If major industry representatives, primarily corporate, can lobby the government to take a greater role, it may make an impact.	In the past, the sugar lobby has won exemptions in the legal arena and government has supported the needs and growth of the industry. Although sugar has declined in importance to the overall economy, it may still be able to bring the government to the table.