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Agricultural Situation

Happy Holidays with "Hallacas"

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Approved by:
Leanne E. Hogie
U.S. Embassy VENEZUELA

Prepared by:
Clara Nuñez

Report Highlights:
Following a missed holiday season in 2002 due to the strike, Venezuelans are ready to celebrate Christmas this year, including indulging in traditional foods. "Hallacas" are a Venezuelan speciality made of cornmeal, meat and vegetables wrapped in banana leaves, and probably the most recognized and frequently consumed Christmas dish. However, shortages of some ingredients and price increases are making a good "hallaca" harder to come by this year.

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Happy Holidays with Hallacas

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The Origin of Hallacas

The hallaca is in many ways supposed to represent the historic formation of Venezuelan society, mixing elements from different cultures and traditions. Each hallaca ingredient represents one of the different roots of Venezuelans; the banana leaves were both used by Africans and Indians, the corn is the most American of plants, and the chicken and pork meats, olives, raisins, almonds, peppers were brought by the Europeans. The mixing of the meat, olives, raisins etc. through the colored corn dough is one of the most visible expressions of the Venezuelan "mestizaje."

The origin of the word "hallaca," is said to come from the guaraní word "ayúa" which means mixing or stirring, and due to a linguistic change became "ayaca". That was the word as it was used in the 18th century. There is another version that states that the word comes from an aboriginal tongue from the west side of the country, "hayaca" which means bundled.

The hallaca is among Venezuelans a symbol of unification. When Venezuelans are abroad and think of their native land, the hallaca is one of the things that comes to mind. The "hallaca" has also in the past had a political connotation. The phrase "next December we will eat hallacas in Caracas" was used in colonial independence times.

Christmas 2003 - Scarcity added to higher prices

Consumers are used to facing higher prices every year when it comes time to make hallacas. But this year they also have to face the problem of scarcity of some of the main ingredients. People will have to improvise this year in their hallaca making, and the variety of ingredients will be more limited. Some of the major shortages are highlighted below:

Chicken: The most obvious shortage this Christmas is the lack of chicken. Due to price controls, consumers can't find whole chickens at the supermarkets or butcher shops. Only in non-regulated markets can you find chicken, but there the prices are as high as Bs. 5,900 per kilo, even though the regulated price is Bs. 2,555. So if the lucky shopper finds chicken, he will have to pay 113 percent more than the price fixed by the government, and 241 percent more than in 2001.

Pork: Pork is also becoming scarce, especially pork legs without bone which are commonly used for the meat used in hallacas. Again, prices are as high as Bs. 7,500 per kilo even though the official price for pork is Bs. 4,000. Pork this year costs about 110 percent more than in 2001.

Corn Flour: Most hallacas are made using the locally produced white corn flour, and then the dough is colored with saffron or other spices. The corn flour price is also controlled,

now at Bs.1000 per kilo compared to Bs. 542 in 2001, or up 85 percent. But the corn flour price increase has not kept pace with the farm-gate price for corn which is now 110 percent higher than in 2001, making corn flour production much less profitable.

Imported ingredients: Raisins, capers and olives are not easy to find and are more expensive. Compared to 2001, raisin prices are now 276 per cent higher, olives are up 329 percent, and capers are up 191 percent. These imported products are also more expensive since they are not listed by the government as basic necessities and therefore importers can't get access to dollars at the official exchange rate.

Vegetables: Onions are also 400 percent more than 2 years ago due to a current shortage of domestic supply, while pepper prices have only increased 80 percent. The edible oil you need to sauté these ingredients now costs 217 percent more than 2 years ago.

So making (or buying) an hallaca is a much more expensive proposition this year. For a basic hallaca (una hallaca para tiempos de crisis) the average cost will be around Bs. 1,600. In 2001, the price of an hallaca with the same ingredients was Bs. 713. An hallaca with a little more of the different fillings is now selling between 3,000 and 5,000 bolivars. And an elaborate hallaca can cost up to 10,000 bolivars.

Another Christmas speciality, "pan de jamón" or ham bread, has so far only seen an increase of about 33 percent, as wheat imports have been one of the few products receiving dollars at the official rate on a regular basis. Last year's price was Bs. 7,500 and currently is sold above Bs. 10,000.

Bolivarian Hallacas.

The Government of Venezuela has announced a plan to provide hallaca ingredients at lower prices called "Hallacas Solidarias." However so far there is little evidence of those items at street markets or in the Mercal stores.

The hallaca situation reflects many of the trends within the food sector and in Venezuelan today. Availability of ingredients is affected by price controls and exchange controls. Products are more expensive relative to people's income. But Venezuelans are eating hallacas this holiday season – maybe not as many and maybe with less variety, but Venezuelans won't let their traditions die.