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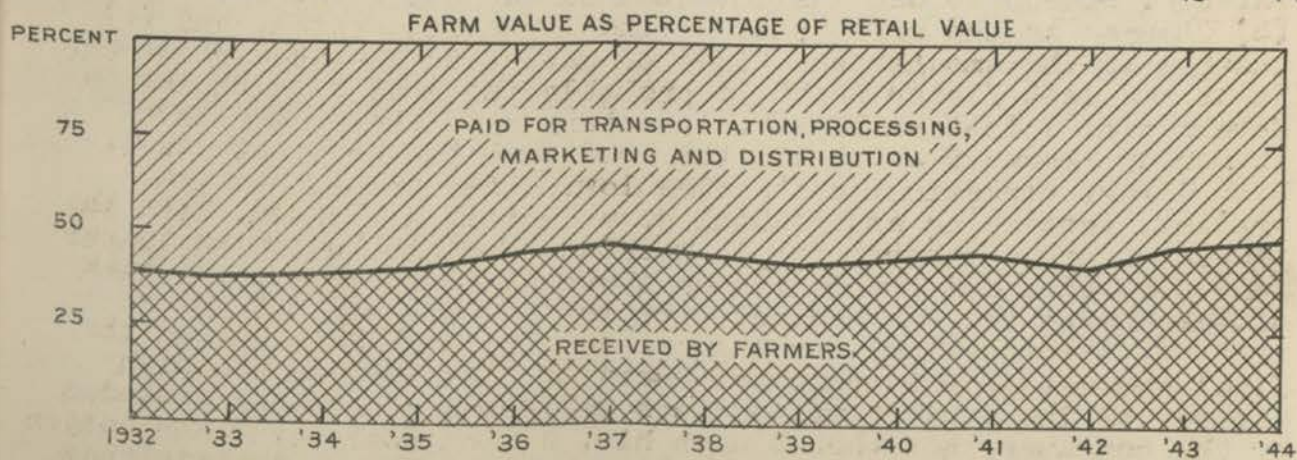
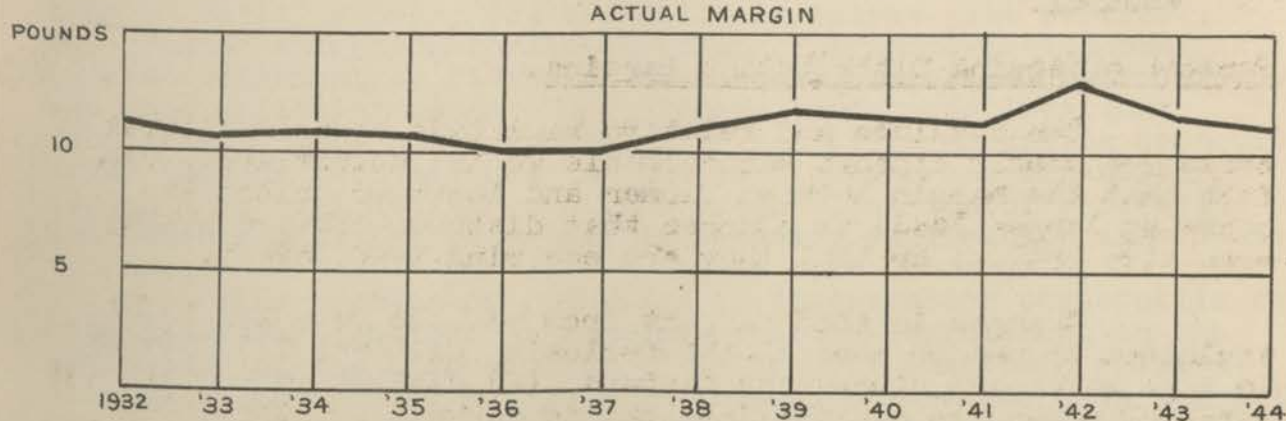
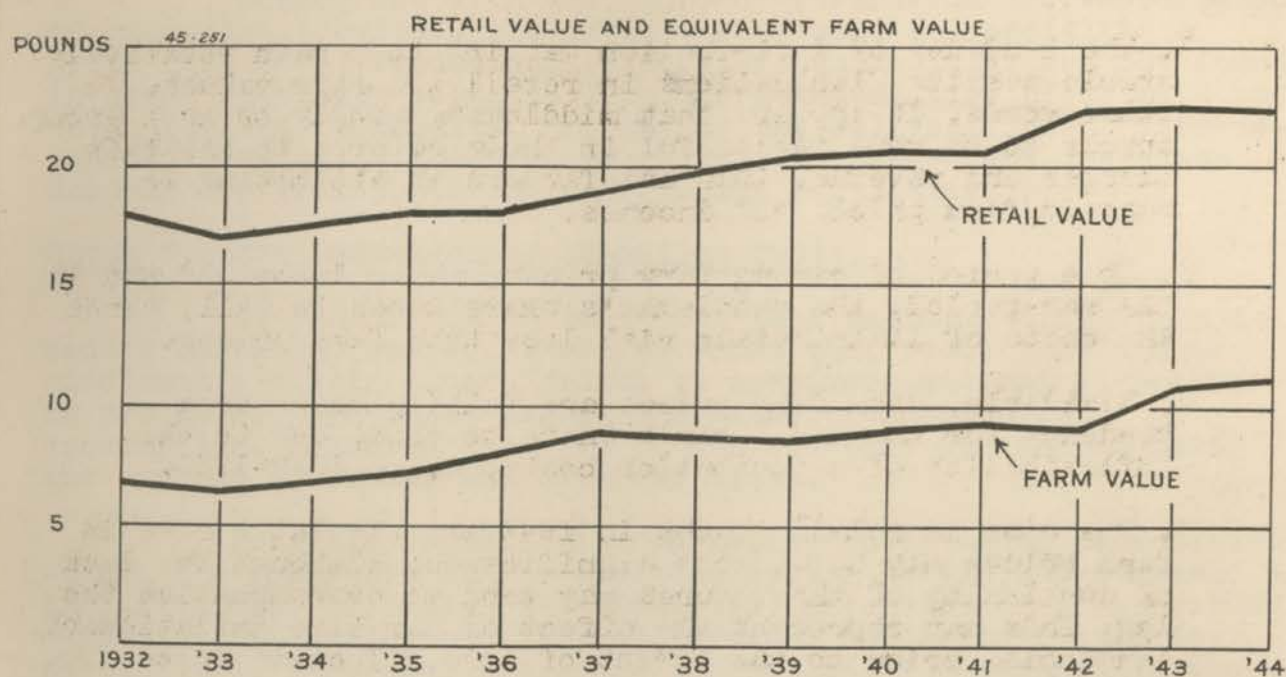
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FIGURE 1
 RETAIL AND FARM VALUE OF 34 FOODS, 1932-44
 (BASED ON ESTIMATED ANNUAL CONSUMPTION PER CAPITA)



Concurrent with the tendency towards an increased value of marketing services, the farmer has tended to specialise a great deal more. Production of specific commodities are now found in areas specially suitable from the point of view of climate and soils for that commodity. The day of the self-sufficient farm is rapidly passing. With such specialisation, there are increased demands for transportation and storage facilities.

Scope for the Reduction of Marketing Costs.

It should not be concluded that nothing can be done to reduce marketing costs. It can be shown that reduction in the middleman's margin lowers prices to consumers and raises returns to producers, and consequently increases production and consumption. Measures designed to achieve this end should have the support of farmer and consumer alike.

Possible reduction in marketing costs might be achieved within the framework of the existing system by (1) improvements in the efficiency of individual firms, (2) extension of co-operative marketing, (3) reorganisation of terminal wholesale facilities, particularly for fresh fruit and vegetables, (4) changes in the type of retail stores, (5) reduction in extravagant services, (6) greater attention to the question of transportation charges, (7) establishment or financing on a sound commercial basis of new and more efficient processing, storage, and transportation facilities. More radical methods of achieving marketing economies would include such measures as the continuance and extension of zoning in retail delivery and the rationalisation of processing and other facilities to reduce unnecessary duplication and expense.

The problem of reduction in distribution costs calls for detailed investigation. It is clear that an improvement in the efficiency of the distribution of foodstuffs must be a primary element in any policy designed to encourage more adequate nutrition for the people of the world. Careful studies in the field of nutrition become little more than academic exercises in the absence of adequate arrangements for the distribution to the people of the products of agriculture.