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THE MARKETING OF NON-SUGAR AGRICULTURAL COMMODITIES IN ST. VINCENT

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This paper will attempt to outline and examine the recurrent problems in marketing agricultural commodities in St. Vincent, to describe the development of the various marketing authorities and to see what lessons have been learned in the post-war period. But, first a brief outline of the important events.

Only seven years after its foundation, the St. Vincent Banana Growers' Association was, by 1960, exporting 22,000 tons of bananas of which some 70 per cent were considered in the 'special and best' grade. In the same year the St. Vincent Marketing Board was established to deal in the produce of the island's small farmers. At that time easily the largest crop was sweet potatoes - over 5 million pounds having been exported to Trinidad in the previous year by the local traders. With the establishment of the Marketing Board attempts were made to try to regulate this market.

Because of the haphazard way in which the traffickers sold their perishable product to a foreign market with an inelastic demand and because it was relatively such a large crop on the island, the price has tended to move dramatically up and down with the attendant shortages and surpluses. It was quickly recognised that crop diversification was necessary and that storage space, quality control, and credit to the farmer were all essential if the small farmer was to be pulled out of the rut of good harvests and low prices followed by overproduction to increase revenue followed by market collapse and dumping.

This has proved difficult. Quality control has been a constant problem not only for the Marketing Corporation, as it is now called, but also for the Banana Growers' Association too. It is difficult for the farmers to understand why they are at the mercy of the whims of foreign housewives particularly when the produce, although unacceptable to the U.K. market, seems adequate to them.

By 1968 St. Vincent's bananas, of which seven years earlier 70 per cent had been top grade, had declined to a quality where only 35 per cent were top grade. Most of the damage is done after harvesting owing to poor handling by the farmer, the packers and, to a great extent, the trucker. This may often be the fault of the poor roads but, nonetheless, greater care can be taken and must be taken if the industry is to prosper. The Marketing Corporation has the same problem with their produce. Farmers are naturally anxious to sell as much of their crop as they can but they fail to realise that the consequences of sending sub-standard produce to foreign buyers is disappointment from the buyer and a refusal to buy from St. Vincent again. Unless St. Vincent can meet even stricter foreign quality control standards she will eventually be left behind with no customers at all.

Throughout the sixties the production of bananas struggled on at around 30,000 tons per annum peaking in 1969 at 33,000 tons. From then on production began to decline again. The Caribbean banana industry was getting a much reduced share of the British market and the quality was so low that

even that was generally threatened. The price to the farmer had always been unremunerative but with no alternative (bananas are 80 per cent of St. Vincent's output) the industry struggled on and eventually in 1974 prices started to rise. Unfortunately, the price of inputs also rose dramatically and the return to the farmer was only marginally improved.

In 1977 a Five-Year Development Plan, sponsored by the British Development Division, was begun which aimed to raise production dramatically to 42,000 tons, while improving the quality of the exported fruit through better husbandry, grading, etc. This development is, of course, essential if St. Vincent is to retain even its present tenuous hold on the U.K. market and the Banana Growers' Association is confident that the aims of the plan can be achieved.

1977 saw the completion of a crop diversification plan to be jointly operated by the Marketing Corporation and the Ministry of Trade and Agriculture. Five hundred (500) acres of tree and vegetable crops are to be planted and firm contracts will be issued to farmers taking part in the project. Furthermore, in the near future, one or perhaps two marketing officers will be employed, one to search out markets in Europe, the other to do the same job in the region.

It appears, however, that the post-war history of export marketing in St. Vincent has been rather bleak. This may, indeed, be the case but the reasons are legion. First, St. Vincent is at the mercy of the international market and must respond as the market demands in order to keep the foreign exchange coming in. Secondly, most of the farmers are poor and it is difficult for them to carry out the operations required. They are also uneducated and it is hard for them to understand how the market works and why they have to do the things asked of them. Often, the inaccessibility of the land and the lack of adequate roads make the actual mechanics of moving the produce very difficult while, of course, trucking on the rough roads can do inestimable damage to bananas and other fruit. At present, many of the crops are effectively subsidised by artificially high prices and the result is that the high level of inefficiency is maintained. Many of St. Vincent's products cannot compete at all outside the region and until there is at least some rationalization they never will.

St. Vincent has always had difficulty finding shipping even for those products for which she has orders. The Marketing Corporation rarely sells to North America anymore not because there are no orders but because ships never come. The Geest boats to the U.K. are our lifeline but the Marketing Corporation is never guaranteed space and, until this situation changes, it will always be difficult to regulate cropping by offering contracts to farmers.

Of course, with the exception of bananas and arrowroot, everything that we produce has to compete on the local and U.K. markets with similar produce from neighbouring territories. It has always been the unfortunate lot of the poor countries to compete among themselves, trying to sell their often identical raw materials and food products on the fickle markets of the industrialised countries where demand is often highly inelastic. While there is endless talk of regionalization and joint production programmes the farmers themselves cannot understand why their effort is always so poorly rewarded and are often bitter and demoralized. It is a vicious circle.

The picture looks still bleaker! There are solutions but, unfortunately, they are the same ones that are always mentioned and they are not easy, and rarely popular. They have all been touched on briefly already but, to summarise, we need the following:

- (a) courageous action on unpopular issues;
- (b) action to maintain a rigid standard of high quality control;
- (c) better credit facilities so that enterprising farmers can get the cash to carry out much needed work;
- (d) sufficient Extension Officers who are prepared to work in difficult conditions supervising agricultural growth;
- (e) at least, some degree of land reform; and
- (f) a programme to imbue all Vincentians with an agricultural consciousness.

This is an agricultural economy and everyone -- packers, labellers, truckers, dockers as well as farmers are part of it. We are fortunate here in having a genuine nucleus of competent farmers who must be encouraged - not by popular short-term measures, however, but by sometimes unpopular but, in the end, rewarding, actions. The key to it all is that while the future does not at present look rosy, St. Vincent actually has good land, competent farmers, extension expertise and an active Marketing Authority. They can all be put to good use if the right decisions are made.