



5-1991

## The feria system for marketing fresh produce in Costa Rica : the role of the government as studied in San Jose and San Isidro

Miriam Miranda

Follow this and additional works at: [https://trace.tennessee.edu/utk\\_gradthes](https://trace.tennessee.edu/utk_gradthes)

---

### Recommended Citation

Miranda, Miriam, "The feria system for marketing fresh produce in Costa Rica : the role of the government as studied in San Jose and San Isidro. " Master's Thesis, University of Tennessee, 1991.  
[https://trace.tennessee.edu/utk\\_gradthes/12479](https://trace.tennessee.edu/utk_gradthes/12479)

This Thesis is brought to you for free and open access by the Graduate School at TRACE: Tennessee Research and Creative Exchange. It has been accepted for inclusion in Masters Theses by an authorized administrator of TRACE: Tennessee Research and Creative Exchange. For more information, please contact [trace@utk.edu](mailto:trace@utk.edu).

To the Graduate Council:

I am submitting herewith a thesis written by Miriam Miranda entitled "The feria system for marketing fresh produce in Costa Rica : the role of the government as studied in San Jose and San Isidro." I have examined the final electronic copy of this thesis for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Science, with a major in Geography.

Carol Harden, Major Professor

We have read this thesis and recommend its acceptance:

Greg Pompelli, C. W. Minkel, Sidney Jumper

Accepted for the Council:


Carolyn R. Hodges

Vice Provost and Dean of the Graduate School



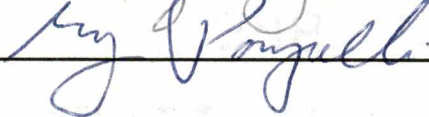
(Original signatures are on file with official student records.)

To the Graduate Council:

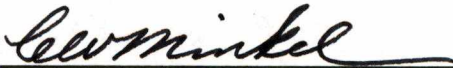
I am submitting herewith a thesis written by Miriam Miranda entitled "The Feria System for Marketing Fresh Produce in Costa Rica: The Role of the Government as Studied in San José and San Isidro." I have examined the final copy of this thesis for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Science, with a major in Geography.

  
\_\_\_\_\_  
Carol Harden, Major Professor

We have read this thesis  
and recommend its acceptance

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_

Accepted for the Council:

  
\_\_\_\_\_  
Associate Vice Chancellor  
and Dean of the Graduate School

In presenting this thesis in partial fulfillment of the requirements for a Master's degree at the University of Tennessee, Knoxville, I agree that the library shall make it available to borrowers under rules of the Library. Brief quotations from this thesis are allowed without special permission, provided that accurate acknowledgment of the source is made.

Permission for extensive quotation from or reproduction of this thesis may be granted by my major professor, or in her absence, by the head of Interlibrary Services when, in the opinion of either, the proposed use of the material is for scholarly purposes. Any copying or use of this material in this thesis for financial gain shall not be allowed without my written permission.

Signature *Quinn Piranda*  
Date *April 26, 1991*

THE *FERIA* SYSTEM FOR MARKETING FRESH PRODUCE IN COSTA RICA:  
THE ROLE OF THE GOVERNMENT AS STUDIED IN  
SAN JOSE AND SAN ISIDRO

A Thesis  
Presented for the  
Master of Science  
Degree  
The University of Tennessee, Knoxville

Miriam Miranda

May 1991

## ACKNOWLEDGMENTS

Members of the University of Tennessee Departments of Geography and Agricultural Economics have assisted me in this research. I am especially indebted to Professors Greg Pompelli, C. W. Minkel and Sidney Jumper, who served as my committee. In particular, I must thank Carol Harden, my major professor, for her invaluable and generous assistance. Because of Professor Harden, I was able to accomplish this thesis. In addition, I must acknowledge Will Fontanez of the Cartography Laboratory for his generous help. I also acknowledge financial assistance from Geography Department for field work and fellowship from LASPAU. Possible errors in my work are exclusively my responsibility.

I thank my family who have always encouraged me.

## ABSTRACT

*Ferías* are an important part of the agricultural marketing system in Costa Rica. *Ferías* are open-air, but regulated, markets which occur every weekend. The *feria* offers small and middle-scale producers the opportunity to sell directly to urban consumers and, at the same time, exposes them to urban culture and services.

The major objective of this research is to analyze and evaluate the role of the Costa Rican government in this regulated and controlled market activity. *Ferías* at different cities have been functioning for more than a decade without a true evaluation of their impact on producers.

Four *ferías* were selected for study as examples of the *feria* system: the *ferías* of Zapote, Desamparados and Plaza Viquez, from the largest urban area, and San Isidro from the countryside. Two questionnaires were developed. The first was administered to producers and the second to government authorities responsible for administration, regulation, and control of the producer *ferías*. One hundred and fifty small-scale farmers and ten authorities were surveyed in October 1990.

The results show that although from a general point of view the *ferías* have been successful, producers and authorities agree that they face several problems. Lack of services and transportation are the major problems according

to producers, and violations of *feria* regulations, shared responsibilities between different agencies, and lack of personnel are the principal problems from the perspective of government officials. *Ferías* may become stagnated because they are organized from an old and weak set of regulations. A restructuring of the organizational framework of the *feria* is proposed to avoid the disappearance of small farmers from the *ferias*, and to avoid the evolution of producer *ferias* to free markets.



## TABLE OF CONTENTS

CHAPTER	PAGE
I. INTRODUCTION .....	1
The Marketing Process.....	1
Agricultural Marketing in Latin America .....	3
II. COSTA RICA, ITS AGRICULTURE AND AGRICULTURAL	
MARKETING .....	10
Physical Features .....	10
Marketing of Farm Products in	
Costa Rica.....	14
Types of Products .....	17
The Role of the Government .....	21
III. ORIGIN, EVOLUTION, OBJECTIVES AND	
FRAMEWORK OF THE <i>FERIAS</i> .....	24
Origin and Evolution .....	24
Objectives of the <i>Feria</i> System .....	27
Framework .....	28
IV. CASE STUDIES; THE <i>FERIAS</i> OF SAN JOSE	
AND SAN ISIDRO .....	35
San José's <i>Ferias</i> .....	37
San Isidro's <i>Feria</i> .....	43
V. THE <i>FERIA</i> : ITS ACHIEVEMENTS AND PROBLEMS.....	49
Discussion of Survey Responses.....	49
Are the <i>Ferias</i> successful? .....	60

VI. CONCLUSION AND RECOMMENDATIONS .....	76
Conclusion .....	76
Recommendations .....	80
REFERENCES .....	84
APPENDICES .....	91
APPENDIX A. QUESTIONNAIRES ADMINISTERED TO PRODUCERS AND GOVERNMENT OFFICIALS.....	92
APPENDIX B. POSITIONS OF GOVERNMENT OFFICIALS INTERVIEWED .....	99
APPENDIX C. PRODUCTS SOLD AT <i>FERIAS</i> IN OCTOBER 1990....	101
VITA .....	106

## LIST OF FIGURES

FIGURE	PAGE
1. Map of Costa Rica .....	11
2. Costa Rica Marketing Channels .....	15
3. <i>Feria</i> Organization .....	31
4. Map of the <i>Ferias</i> of San José and San Isidro....	36
5. <i>Feria</i> of Zapote . .....	40
6. <i>Feria</i> of Desamparados .....	42
7. <i>Feria</i> of Plaza Viquez .....	44
8. <i>Feria</i> of San Isidro .....	48
9. Origin of Producers Who Attend the <i>Ferias</i> of San José and San Isidro .....	55
10. Increase of Producers Attending the <i>Ferias</i> of San José and San Isidro .....	60
11. Number of <i>Ferias</i> Between 1979 and 1990 .....	75
12. Proposed <i>Feria</i> Organization .....	81

## LIST OF TABLES

TABLE	PAGE
1. Personal Characteristics of Producers at the <i>Ferias</i> of San José and San Isidro .....	50
2. Responses of Producers Regarding Farm Characteristics and Marketing Strategies.....	52
3. Origin of Producers Who Attend the <i>Ferias</i> of San José (Zapote, Desamparados, Plaza Viquez) and San Isidro .....	56
4. Transportation of Products.....	57
5. Expenses Incurred by Farmers in Marketing Their Goods. ....	59
6. Ranked Advantages of the <i>Feria</i> from the Perspective of Producers.....	62
7. Problems at the <i>Ferias</i> of San José and San Isidro According to Producers .....	63
8. Advantages and Problems of the <i>Feria</i> Ranked from the Standpoint of Government Authorities .....	68
9. Reported Violations of <i>Feria</i> Regulations .....	70
10. Most Fequent Violations of <i>Feria</i> Regulations Ranked by Government Authorities .....	71

## CHAPTER I

### INTRODUCTION

#### The Marketing Process

The role of the Costa Rican government in the marketing of agricultural goods for domestic consumption is the problem under study in this research. Marketing is the process through which agricultural products move from producers to consumers. This may occur directly between producers and consumers or indirectly through middlemen. In the marketing process, commodities are often modified to a greater or lesser extent. As part of marketing, for example, goods may be washed, classified, packed, packaged, refrigerated and transported. Each of these steps adds to the price charged to consumers.

Creation of a marketing system requires much capital, time and technology. In the first markets, producers dealt directly with consumers. Later, with the development of towns, merchants began to serve as middlemen between producers and consumers (Villalobos, 1983). According to Mendoza (1980), markets where producers sell directly to consumers tend to disappear as economies become more advanced.

Costa Rica has an agriculturally based economy, thus its agricultural interests could be expected to be promoted by governmental policies and actions. Since the beginning of the present century, the government of Costa Rica has been interested in improving the marketing of farm products for domestic consumption (Estrada, 1981). After several attempts, the state created a special program called "the producer *feria*" which is a periodic market. These markets were created in the 1970's to link small farmers into the marketing system. Analyzing Costa Rica's periodic *feria* markets is interesting for three reasons: (1) they were created to be regulated, (2) they have not been studied as well as export markets, and (3) their effectiveness has not been formally evaluated. The few evaluations done by the Ministry of Agriculture (MAG) are oriented toward consumers (MAG, 1980, 1984, 1986), and it is not evident that current government policies and efforts are meeting the needs of either producers or consumers. Marketing of fresh produce at the national level, as well as at the regional level, appears to be characterized by a lack of balanced participation and capitalization between producers, transporters, wholesalers, retailers, and consumers. Furthermore, there are many conflicts such as a duality of functions between the different governmental institutions that deal with issues of production, marketing and consumption of agricultural commodities.

The main objectives of this study are to gain a clear

understanding of the marketing of agricultural goods for domestic consumption through the *feria* system and to analyze the impact of the Costa Rican government on the process. The study focuses on two main groups: (1) small farmers who sell at the open markets of the cities of San José and San Isidro and (2) government agencies that play a role in regulating these markets. Preliminary research was conducted in 1984 and was followed by an informal field study in 1988. After the preliminary study, it was decided to conduct a study different from those completed by the MAG. In contrast to MAG's emphasis on urban consumers, this analysis focuses on the role of the state and its impact on marketing the fresh produce of small farmers. Because there was not enough information available about the role of the state and its effect on marketing of farm products for domestic consumption, it was necessary to conduct a field trip to Costa Rica in October, 1990, to gather primary data.

### Agricultural Marketing in Latin America

Lack of commercialization of agriculture is one of the major problems facing almost all Latin American societies. Mendoza (1980) says that while Latin American countries have made great efforts to increase and improve agricultural production, their neglect of marketing has delayed modernization of and efficiency in the agricultural sector.

According to Estrada (1981), developing countries have two categories of marketing farm products: unprogressive and advanced. Unprogressive, or traditional markets, result from imperfect competition and an imperfect system of marketing. They respond only to local demand by consumers with low incomes or low educational levels. Advanced market systems, on the other hand, have modern commercial structures, including marketing services such as classification, packing, and refrigeration.

Agriculture in Latin American countries may be divided into two subsystems. First, goods produced primarily for export are raised mostly by large farmers. Second, agricultural goods for domestic consumption are grown primarily by small producers. Small farmers face problems of small land holdings, limited access to loans, inefficient technology, an inadequate marketing system and lack of transportation. Latin American countries have made great efforts to modernize agriculture, but benefits have gone primarily to large commercial farmers while small producers remain backward and underfinanced (González et al, 1970; Shwedel, 1977; Mendoza, 1980; Villalobos, 1983).

Marketing of vegetables and fruit for domestic consumption has received little study by scholars from Latin America. There are several studies (Smith, 1974; Beals, 1975; Escuiles, 1977; Frigerio, 1977; Universidad de Carolina del Norte, 1977; Del Campo, 1979; Villasuso, 1982;



Vermeer, 1990) about the marketing of grains and milk, and others on marketing of export products such as coffee, tobacco, bananas, and sugarcane, but only a few (Centeno, 1980; Covarrubias, 1984; Vedova and Cordero, 1984; Calderon, 1984; Escuiles, 1985; Stadel and Moya, 1988) on the marketing of vegetables and fruit. According to Villasuso (1979), vegetables and fruits produced by small farmers are not export products; they are not as essential to the diet as grains, beans and meat; and they are produced by small farmers whose political and economic power is insignificant. These are three major reasons for the lack of study in this area of production.

In developing economies, middlemen are perceived as negative elements of the marketing process because they appear to increase marketing margins (Villalobos, 1983). Although some countries, for example, Costa Rica, have attempted to diminish their importance (Costa Rica, 1984), middlemen are key people in the marketing process. Vegetables, fruit and roots crops still are marketed by a traditional system that involves several agents or middlemen. Although it is possible to find producers at periodic markets, markets are dominated by different categories of traders who go to rural areas to buy food crops for sale at market locations (Smith, 1974-75). The consequences of using middlemen in the marketing process are that through their need to make profits they drive up costs of products to consumers without increasing profits for

farmers Miranda, 1976). Middlemen do play an important role in those areas where there are no periodic markets or where producers are not interested in engaging in retail sales Stadel and Moya (1988), working in Ambato, Ecuador, found four distinct classes of merchants controlling sales of fruit and vegetables: mobile large merchants, stationary large merchants, stationary small merchants and mobile small merchants. Small producers throughout Latin America are generally affected by these merchants because they have economic, social and political power as well as wide knowledge in strategies of selling (Krants, 1979).

Although small landholdings, called by CEPAL (1984) "peasant economies," are basically units of production for family consumption, they are very important since they also supply more than 40 percent of the total farm products for national consumption in Latin America (López, 1982), and 60% of the basic grains in Central America (Gabuardi, 1975). According to CEPAL (1984), 39 percent of the farms in Latin America are units of less than two hectares, and in some countries, such as El Salvador and Jamaica, 75 percent of the farms are less than two hectares in size.

Small producers face problems such as low income; low productivity; high costs of production; transportation; lack of knowledge about supply, demand and prices; lack of production and marketing technology; necessity of selling produce in a hurry because of seasonality, elasticity of

supply and demand of perishable produce; and unfair distribution of marketing margins (Escuiles, 1983; Villasuso, 1986). Generally, producers see the market as a threatening activity, where those who participate take risks. The fact that producers are not familiar with the market system makes them prefer to sell their production to merchants instead of taking a chance on direct commercialization (IFAM, 1986). They do not conceive of farming activities as a source of wealth; in contrast, middlemen look for wealth and then take advantage of any opportunity to get it.

Generally, since small producers have limited access to cash, middlemen take advantage of that fact by giving them money when they need it. In this way, farmers become indebted to middlemen to sell their harvest and often live one harvest behind. In other words, when the harvest is ready, a good part of it, if not all, belongs to the trader who gave the farmer money when he needed it. Krants (1979) called this "extension of cash-loan and credits." In rural areas, cash between harvests is very scarce and there are very few opportunities to borrow from banking institutions because of high interest rates and a lack of collateral. Sometimes traders give farmers cash in advance, besides giving them information about harvests and prices.

Regarding the passive role played by small farmers in the marketing system, CEPAL (1984) established that it is very difficult for peasants to participate directly in the sale of

their produce because there is a complex and sophisticated system of marketing, and because they need to spend all of their time in farming. Marketing activities, such as transport, selection, storage and selling, take time which farmers need for working the land.

When the inflationary process accelerated in Latin America about two decades ago, most of the countries concentrated their economic interests in agriculture to increase export income and to decrease their dependence on foreign suppliers for basic foods. Marketing of perishable agricultural products was of little interest to Latin American governments. Ecuador, for example, at this time, encouraged vegetable and fruit markets to regulate their own activities (Miño, 1986). The role of the state was only to inform about prices and conditions. In other countries, such as Mexico, the state intervened only to require that prices paid by merchants were enough to avoid bankrupting small farmers, but this regulation was only to protect the producers of basic grains (Haag, 1979). According to Haag, marketing of fruit and vegetables in Mexico continues under the control of traders. Another example of improving the marketing system is where producers sell directly to retailers at the municipal market, as occurs in Matagalpa, Nicaragua (Escuiles, 1985). Governments generally encourage the establishment of periodic markets to give small farmers the opportunity to increase their income, but for various reasons, including the lack of

transportation and knowledge about marketing systems, only a few small farmers can reach the market.

Latin American countries generally have not followed any overall strategy in the marketing of farm products. Governments, through development plans, establish partial measures to improve the system. For example, some have built physical structures such as silos and cellars to store grains (Haag, 1979). Others, through state agencies, have regulated the buying, storage, transportation and selling of some basic products. Latin American countries have relegated to second place the marketing of agricultural products (Harrison, *et al.* 1976; Shwedel, 1977). In general, it appears that most of the governments have encouraged partial solutions, such as organizing producers into cooperatives, or organizing small retailers to buy goods directly from producers, to avoid profit-taking by middlemen. The installation of small centers for storage, and the construction of wholesale markets, are other measures taken to reduce the problem of marketing (Miranda, 1986). While all of the former solutions may help, they are legislated only at the local level. They are individual actions accomplished by local municipalities (Mendoza, 1980).

## CHAPTER II

### COSTA RICA, ITS AGRICULTURE AND AGRICULTURAL MARKETING

#### Physical Features

To understand the process of marketing fresh farm produce in Costa Rica, and its problems, it is necessary to be familiar with general characteristics of the country. Costa Rica, long recognized as a welfare state and for its democracy, is located in the southern part of the Central American Isthmus enclosed by the Caribbean Sea to the east and the Pacific Ocean to the west; specifically, between Nicaragua to the north and Panama to the southeast (Figure 1). Its social and political stability, together with great geographical diversity, have made this small (51,022 square kilometers) tropical country an attractive place for scholars of different fields to study.

Hall (1981) described Costa Rican physical environments:

... The country lies entirely within the tropics, between 8 and 11 degrees north of the equator. Given this isthmian location and small latitudinal range, its physical environment would be relatively homogeneous were it not for the great complexity of surface landform. Geologically young and active, Costa Rica is traversed by rugged cordilleras, some of which have active and animated volcanoes. The four mountain ranges that run northwest to southwest, modify climate and vegetation to produce an ecological diversity peculiar

to the world's tropical, mountainous regions, where elevation and aspects are responsible for much more rapid, and qualitatively different, environmental changes than those associated with variation in latitude. Less than one hundred kilometers separate hot, humid, coastal lowlands, once covered with dense forest, from cold, bleak, mountain summits that support only a thin, scrubby vegetation. Costa Rica therefore contains a complex ecological mosaic and a wide range of natural resources.

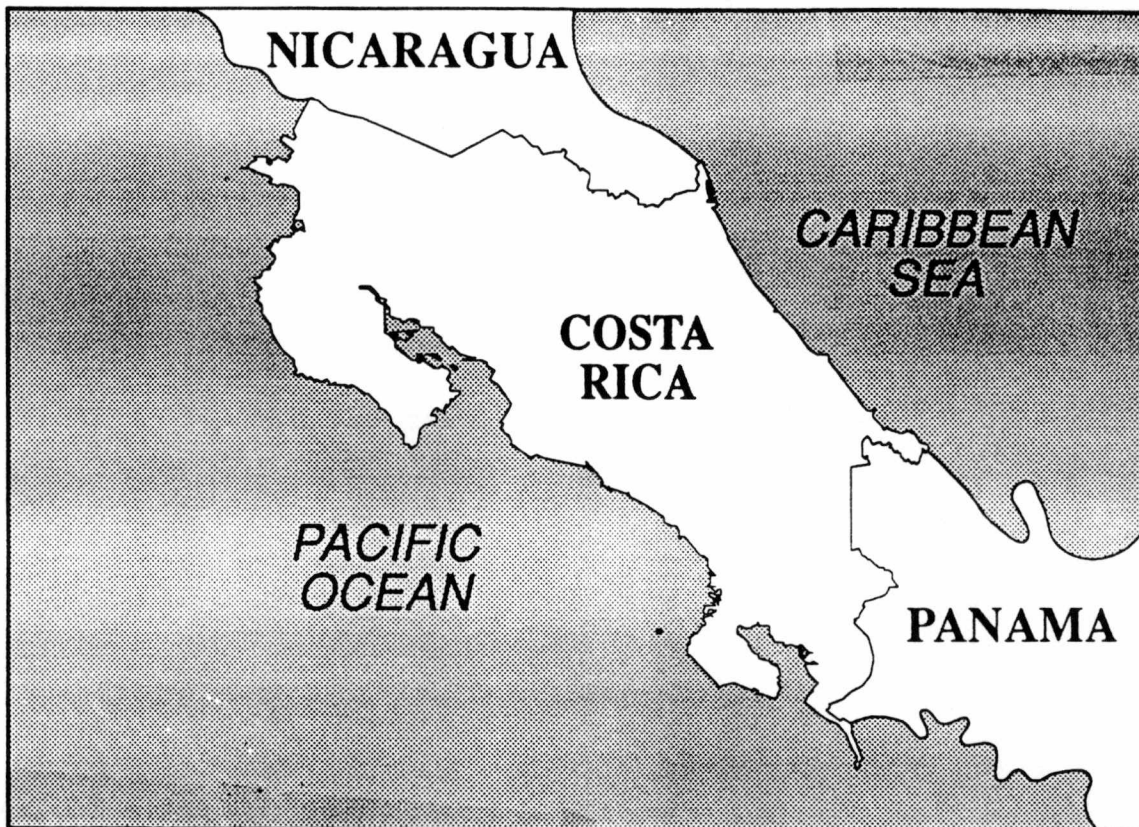


Figure 1. Map of Costa Rica

Although Costa Rica lies within the tropics, climatic variability is one of its major characteristics. Mountains, slopes and its isthmus position are the principal elements responsible for the great variety of microclimates. With the

exception of lowlands in the north, the Caribbean coast and the Osa peninsula, where rain falls all year around, the country has two very well-defined seasons. The dry season extends from December to April and the wet season from May to November. Throughout the country, temperatures vary primarily with elevation. Seasonal variations are minimal, averaging two to three degrees celsius between the warmest and the coolest months.

Because Costa Rica has been a bridge between North and South America in the process of dispersion of animals and plants, its flora and fauna are remarkably varied and include North American, South American and endemic species (Hall 1985). Flora range from abundant selva in coastal regions which receive rainfall all year around to páramos on the highest mountains. A great variety of mountain forests lie in between.

Agricultural land is the country's greatest natural resource. Agriculture has been the basic element of Costa Rican development and the largest employer, with 28 percent of the total employment (AID, 1982). Agricultural products represent 74 percent of the total exports by value (AID, 1982). Coffee, bananas, beef, sugarcane, and cacao are the most important exports. Rice, corn, beans, sorghum, vegetables and fruit are produced only for national consumption. Costa Rica must import all wheat and wheat products. Export crops as well as cereals and grains are



produced on large farms, except for coffee, which is produced on both large and small farms. Small farmers make a living from coffee, root crops, vegetables and fruit. Despite increased manufacturing, agriculture, including livestock, remains the major source of revenue (DGES, 1984). Economic study has recently shown that today more than ever the agricultural sector plays a key role in the progress of the country (Vermeer, 1990).

According to DGES (1984), the farming system can be grouped in three categories: Small holdings (less than 50 hectares) 61.7 percent, intermediate farms (between 50 and 100 hectares) 27.9 percent, and large farms (more than 100 hectares) 12.4 percent. Small and medium-scale farmers, in general, depend for their living on coffee and food crops with the exception of rice. Lack of specialization and poor technology are common characteristics of small and medium-scale landholdings.

The wide variety of climates allows cultivation of a range of products, including traditional crops for export and food crops for domestic consumption. As a consequence of Costa Rica's need to enlarge its sources of revenue since the 1980's, production of nontraditional tropical crops such as coconuts, macadamia nuts, melons and pineapples has increased (Vermeer, 1990). Cattle raising is the principal livestock activity (Hall, 1981).

## Marketing of Farm Products in Costa Rica

The Costa Rican system of marketing farm products shares many characteristics with agricultural markets in other pre-industrial societies. Costa Rican markets are places where traders, retailers, consumers and, sometimes, producers meet to establish social and economic relations of interchange (Figure 2). Understanding the characteristics of food marketing in Costa Rica provides a basis for evaluating the role of the state in the *feria*. Agriculture and marketing services have not had parallel development. While Costa Rican agriculture appears to have an acceptable growth rate, the domestic food marketing system is characterized by lack of basic services. Villalobos (1983) states that the marketing of farm products has improved in terms of the technologies of selecting, packaging, transporting and refrigerating the products, but only for those products that are exported. The buying and selling of fresh products for national consumption is still traditional, without modern technology, except for vegetables and fruit sold at the largest supermarkets where they are handled with modern technology. Poverty in marketing services is in part demand derived, and appears to be a direct consequence of the low income of a large sector of Costa Rican population. These consumers do not care about appearance, packaging or other market services; they care only about low prices. Those who would pay for market services are not

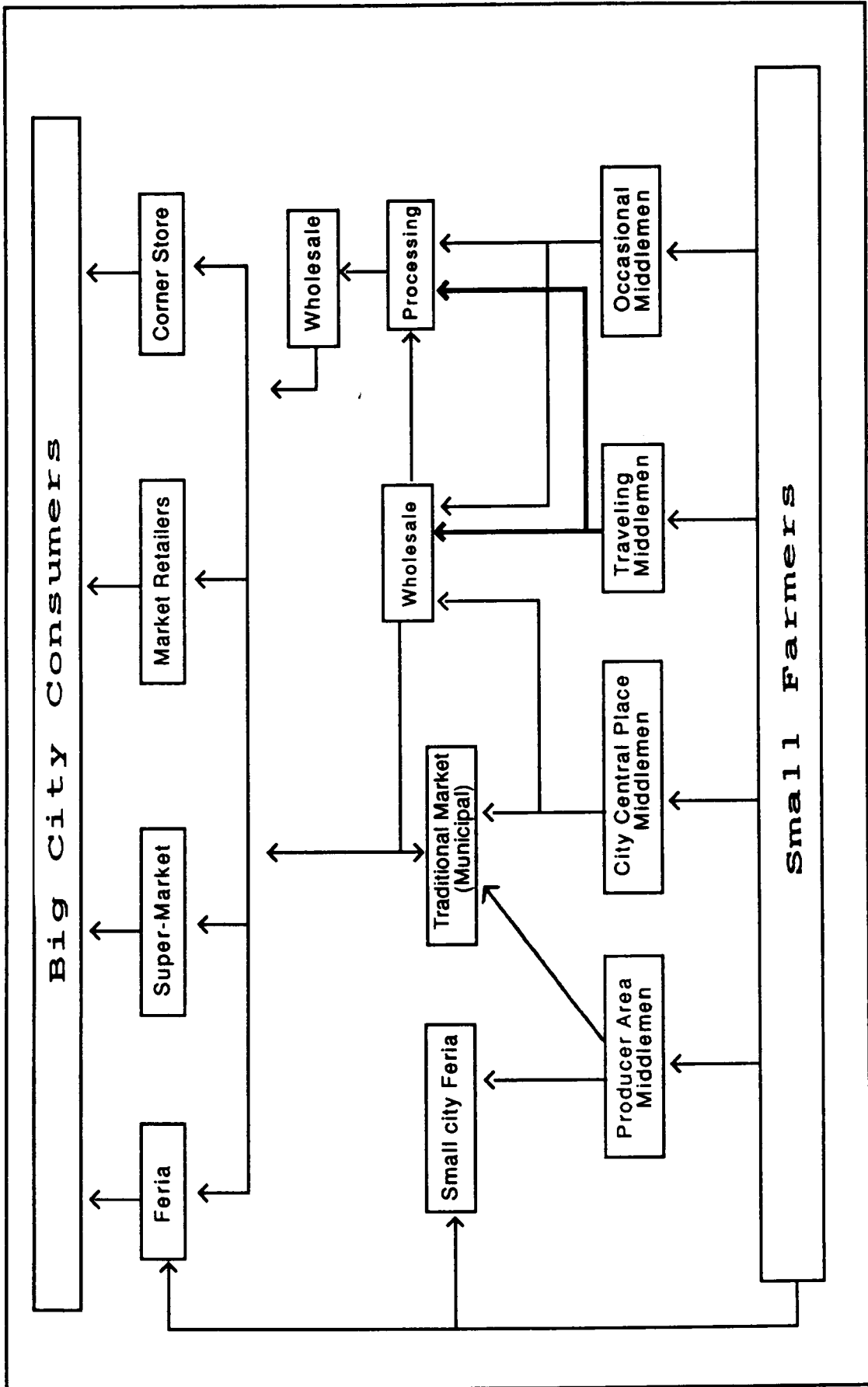


Figure 2. Costa Rican Marketing Channels

numerous enough to demand expansion or modernization of them (Villasuso, 1982). The inability of consumers to pay for marketing services means that they must substitute their own efforts for those of marketing service providers.

Another characteristic of the marketing of farm products in Costa Rica is the extreme centralization of all market activities and the concentration of buying power in San José and other large urban areas in the central part of the country. Alajuela, Heredia, Cartago, and especially San José, are the most important cities in terms of commercial activities. Specialized markets also have been developed. These include the Cattle Market in Alajuela, and the Potato Market in Cartago. San José is the major center for buying and selling beans, grains, vegetables, root crops, and fruits. The market function of San José is strengthened by its favorable location and its hegemonic power of being the national capital. In addition, San José and surrounding cities have the largest population as well as the population with the highest income. The central part of the country has excellent transportation links with the whole territory, and is connected with the principal agricultural region by paved roads. San José receives products from all around the country, in part due to the lack of regional markets. Producers generally sell agricultural harvests directly or through several categories of middlemen. Retailers in any region of the territory are supplied by merchants from San

José (Miranda, 1976).

### Types of Products

Marketing of food products in Costa Rica may be grouped in four different units:

1. Products traditionally exported.
2. Few export products.
3. Staple beans and grains.
4. Perishable products.

#### Products Traditionally Exported

Traditional products for export are coffee, bananas, tobacco and sugar. Marketing of these commodities depends on well-organized agencies. The high quality of export marketing services results from the need to comply with agreements and to compete with trans-national enterprises.

#### New Export Products

This second category was established through the effort of President Arias (1986-1990) as part of a plan to diversify the Costa Rican economy (Vermeer, 1990). During the Arias administration there was a major effort to market non-traditional export crops overseas. These non-traditional products include fruit, some tropical vegetables, and nuts which have found good market opportunities in U.S. cities and

European nations with large Latin American populations (Vermeer, 1990).

### Staple Beans and Grains

Staple beans and grains, the third group of farm products marketed in Costa Rica, are not for export; they are only for national consumption. Marketing of grains is exclusively the responsibility of the National Board of Production (CNP). The CNP is responsible for the organization and development of basic grains marketing in the country.

### Perishable Products

Perishable products represent a fourth group of farm products. This is the market unit which faces the most serious problems (Vedova and Cordero, 1984). As a result, it is the unit of interest in this study.

In general, the sale of vegetables, fruit and root crops can be grouped into three categories according to the types of structure used by vendors (Stadel and Moya, 1988). Enclosed market buildings represent the first category. Semi-enclosed markets such as CENADA and the Wholesale Market, and open-air periodic markets known in Costa Rica as *ferías* are the other two major sales outlets for perishable goods.

Enclosed market buildings include the municipal markets located in almost every city around the country. Within Costa Rica, the most important are the Mercado Central and Mercado

Borbon, both in San José city. These markets are as old as the cities in which they are located. They were built by local governments. Municipalities rent small and individual lots monthly to retailers (*minoristas*). Most (enclosed) municipal markets specialize in the sale of fruit, vegetables and meat. All produce is fresh, and there is no packing or refrigeration except for meats. The markets are traditional, without modern market services; retailers sell as they did 50 years ago. In addition to fresh produce, some prepared foods, grocery items and a variety of non-food items are sold in these markets. Retailers receive their supplies from truckers and middlemen who are based in the CENADA and the Wholesale Market (*Mercado de mayoreo*) in San José.

Semi-enclosed markets are roofed structures without side walls. They are the largest market places. Traditionally almost all commercial transactions of farm products were conducted by diverse categories of traders on a street behind the Borbon Market. Because of congestion, it was necessary to relocate marketing activities to peripheral areas. Two structures were built about ten years ago by the Municipality of San José to avoid congestion in city's center, the Wholesale Market and the National Center of Supply and Distribution of Food Products (CENADA). At both market locations wholesalers and retailers meet to buy and sell.

The Potato Market in Cartago and the Livestock Market in Alajuela are other examples of semi-enclosed markets. They

are dominated by various categories of traders, middlemen, wholesalers and retailers. A variety of agricultural businessmen, who have their own economic power, social status and vehicles, establish a chain of commercial relationships. In these largest market places, retailers from San José and nearby cities can buy goods either directly or from merchants. In contrast, retailers from more distant cities depend only on merchants to supply their businesses.

The third category is the periodic market. It does not utilize a permanent physical structure. Periodic markets are part of the landscape only once a week on a public plaza or on a street in urban centers throughout the country. The largest locations are in San José and surrounding cities where central streets or public plazas are transformed into active markets for several hours.

### The Role of the Government

One of the most important characteristics of the commercialization of agrarian products is the intervention of the state. The Costa Rican government exerts great influence in the marketing of agricultural products. Sometimes, the government establishes maximum prices to protect consumers; at other times it regulates prices to protect producers. However, intervention often takes the form of price setting, which may lower consumer prices, but may also reduce producer



or marketer incentives to provide more services because marketing margins are low.

There are several agencies and government institutions whose functions are to regulate the market to diminish marketing imperfections. Agencies may be grouped into two categories. The first deals with domestic markets; the second with export-oriented services. Agencies related to domestic markets are the Ministry of Economy, Industry and Commerce; The National Board of Production; and the Office of Periodic Markets (*Unidad de Ferias*) (Costa Rica, 1984). The Ministry of Economy, Industry and Commerce is the agency responsible for establishing sale prices for those products that have been considered basic to national consumers. Some of them are rice, corn, beans, sugar, milk, eggs, and popular meat.<sup>1</sup> The principal function of the National Board of Production (CNP) is to organize the national marketing of agrarian products, as well as to stabilize prices of basic grains to producers and consumers. The office of periodic markets controls this activity.

The second category of marketing agencies comprises offices which deal with exports. The most important of this group is the Center for Promotion of Exportation and Investment (CEMPRO), whose function is to promote increasing national exportation, especially agricultural exports because

---

<sup>1</sup> Popular meat is defined as those meats, such as soup bone and liver, which are cheap.

they are the major source of Costa Rican foreign exchange (Mendoza, 1980).

There are, in addition, other agencies with representation of producers, processors, exporters, and government officials. Villalobos (1983) called them mixed agencies, created to oversee the marketing of coffee, sugarcane, tobacco and bananas, the principal agrarian products of Costa Rica. The Coffee Office, Sugarcane Office, The Tobacco Bureau and National Association of the Banana have as a principal function establishing minimum prices that middlemen must pay to producers. The major objective of these agencies is to avoid the exploitation of small farmers by different categories of traders (Costa Rica, 1984). These agencies also offer technical assistance, sometimes provide credit, and establish prices for national consumption. The Sugarcane Office, for example, has storerooms in different parts of the country to distribute sugar to merchants and retailers at a given price. Finally, all of these offices organize the export process.

Regarding the role of the government in the marketing process, it is important to emphasize that its function only involves buying or selling in the case of basic grains such as beans, corn and rice. The Costa Rican government, through the CNP, buys grains and beans from producers and sells them at CNP stores to urban consumers. The government sets prices for other agricultural goods to protect farmers from exploitation

by middlemen (Mendoza, 1980).

## CHAPTER III

### ORIGIN, EVOLUTION, OBJECTIVES AND FRAMEWORK OF THE *FERIAS*

#### Origin and Evolution

The Costa Rican government, interested in improving the living conditions of small farmers and low income urban consumers, created the *ferias* in the 1970's. For the purpose of this research, a *feria* is defined as: an open-air, regulated market which occurs every weekend. Restricted to use by farmers and artisans, the *feria* offers small and middle-scale producers the opportunity to sell directly to urban consumers. The *feria* was established so that producers and consumers would improve their living conditions, urban customers would get better quality products at better prices, and farmers would increase their profits.

*Ferias* had their unofficial origin at the beginning of the twentieth century, when farmers, artisans and consumers started meeting in local plazas. Those pioneer *ferias* or open markets were spontaneous, unregulated, and unstructured. This kind of market existed in the small cities of Ciudad Quesada, San Isidro, and Atenas early in the 1900's, but for unknown reasons were discontinued (Estrada, 1981). In the

1940's, the old idea of open markets was revived. By this time in Atenas an open market had been started (Estrada, 1981). Later, on October 5, 1951, law number 1354 created a market activity called the "free market for vegetables and fruit." The "free market" had as its major objectives better prices for producers and greater availability of agricultural goods for urban consumers to improve the nutrition and health of the Costa Rican population. Although they were created by law, free markets had little support from the government. Most of the philosophy of the law number 1354 was later applied to the program called "*ferias* of the producers"

In 1952, the Costa Rican president established the *ferias* by an executive decree (Estrada, 1981). This decree, however, never was implemented. During the following two decades there were only a few free markets. They contained a mixture of wholesalers, retailers, artisans and consumers and were not controlled by any governmental agency. Farmers, in general, were absent.

Municipal markets, administered by the Promotion Institute and Municipal Board (*Instituto de Fomento y Asesoría Municipal*) (IFAM), were the major centers for the sale of agricultural produce in the 1970's (Estrada, 1981). Today, they still operate in each city of the country, but in cities with *ferias* they have lost their principal market role.

Two local commercial activities can also be cited as antecedents of the type of market under study. The first

started in Turrialba<sup>1</sup> in 1974. Small producers from nearby areas were organized by the local municipality to sell their agricultural products on a central street. The second occurred in San Isidro, where farmers from surrounding areas came to the city to sell their commodities on the principal route. This market was known as the "market of the sidewalk". It was successful at the beginning but declined later when farmers stopped participating because of the influence of middlemen (Estrada, 1981).

Although the first *ferias* were unsuccessful, politicians kept the idea alive for almost 30 years. Finally, in 1977 the "Free Market Law for Agricultural Producers and Artisans" (law 6035) established that those lands and buildings necessary for the *feria* should be public properties. If they were private properties, the state would intervene to make them state property. Administration of the *ferias* was given to the municipalities (Estrada, 1981).

The immediate origin of *ferias* appears to have been on February 25, 1979, when a group of orange producers in danger of bankruptcy as a consequence of low market prices was authorized to sell directly to consumers in the parking lot of the firm PLASA (Highland Milk Producers) in Zapote, San José. One week later, not only orange growers but also 64 farmers from nearby areas came to this place to sell their products

---

<sup>1</sup> Turrialba is another small (about 40,000 inhabitants) and active city, about 130 kilometers east of San José.

directly to consumers (MAG,1984). This was the effective origin of the producer *feria* program. This first *feria* was a success. The PLASA parking lot soon was not big enough to accommodate the producers and consumers, so the Municipality of San José authorized the new market activity to move to a larger place, Zapote Public Plaza. Since that time, farmers and San José shoppers have met every Sunday. After Zapote, *ferias* were established in other neighborhoods in San José and in other cities throughout the country.

#### Objectives of the *Feria* System

Costa Rica's *ferias* were established to encourage an active participation of farmers in domestic agricultural development (MAG, 1981). The following objectives are translated from the regulation (Costa Rica, 1984) that gave the legal framework to this new market activity:

1. To consolidate and establish simple mechanisms which allow small producers as well as urban consumers to develop a commercial relationship in a public and convenient manner for which farmers will not have to pay patent or rent.

2. To determine prices as a result of direct transactions between producers and consumers for the benefit of both groups.

3. To organize the distribution of agricultural products to promote regional equilibrium and to improve consumption

habits in the country.

4. To encourage production of food products in the presence of good marketing and diversification of the production.

5. To promote the entrepreneurial capacity of farmers by improving their incomes and bringing them a savings opportunity.

6. To give small farmers technical assistance to improve in planting and managing crops.

### Framework

The influence of the Costa Rican government in the sale of farm products is not a new issue. For several decades, the government has intervened in the marketing of agricultural goods. Several national institutions have been created to organize and regulate the sale of food products.

The government intervenes in the marketing process in different ways. The first is through the Ministry of Economy, Industry and Commerce (MEIC) which applies the Costa Rican Consumer Protection Law. This law authorizes the government to establish sale prices for those articles and products classified as basic consumer necessities. Thus, popular meats, eggs, staples, beans and several other products have fixed prices.

In addition, a group of agencies regulates the marketing



of agricultural export commodities. Prices of coffee, sugar, tobacco and bananas have been established by their respective agencies to avoid exploitation by middlemen.

The *feria* began to operate in 1979, but without any specific legal document (MAG, 1984). Finally, two years later, on October 1981, decree number 1298-A-MEIC was issued to regulate the *ferias*. It was not public knowledge until 1984 when it was published in the Gaceta.<sup>2</sup> The Producer *Ferías* Regulations establish and define: General dispositions, Organization and administration, Office (Unidad) of ferias, Inspectors of ferias, Cooperatives and associate organizations, Obligations of the producers, Identification card and prohibitions (*La Gaceta*, Dec 24, 1984).

The first chapter of the first article defines that:

a restricted market system is established and it will be called *ferias* of the producers. These markets are for the exclusive use of those sectors of agricultural, industrial and cattle production with the purpose of directly linking producers and consumers. In this way, consumers will get better quality products as well as prices and producers will increase their incomes.

According to the *ferias* regulations, *feria* administration is coordinated between several government institutions. The Ministry of Agriculture and Livestock (MAG), through the office of *Unidad de Ferías*, is responsible for executing the *feria* regulation. The Ministry of Economy, Industry and Commerce (MEIC) is charged with applying the Consumer

---

<sup>2</sup> La Gaceta: Official newspaper where all laws, decrees and regulations must be published for public knowledge.

Protection Law at the different *ferias*. The Ministries of Public Security (MSP) and Government and Police (MGP) are responsible for enforcement and control of the *ferias*. The Ministry of Health (MS) is accountable for the fulfillment of the code of health laws. The Commission of Protection to Consumers coordinates all those aspects concerning consumer protection. The *Comité Agrícola Cantonal* (CAC)<sup>3</sup> is the institution immediately responsible for organization, installation and administration of the *ferias* (Figure 3).

Another article of the regulation says that prices will be established by MAG and MEIC according to market fluctuations, and prices will be lower than those of traditional markets. The same article gives MAG and MEIC the responsibility of informing consumers and participants of these prices through official lists which must be permanently posted in visible places. Producers also must put the sale price of their agricultural goods in a visible place.

The following article defines that *ferias* will be divided into individual sites which will be randomly assigned for a period of two weeks. In other words, every two weeks, producers change their market space to provide equal access to the most desirable sites.

Because one of the major objectives of the *feria* is that consumers buy directly from producers, middlemen are not

---

<sup>3</sup> *Comité Agrícola Cantonal* (CAC) is an independent agency created to organize and improve agriculture. There is one in each canton of the country.

# FERIA ORGANIZATION

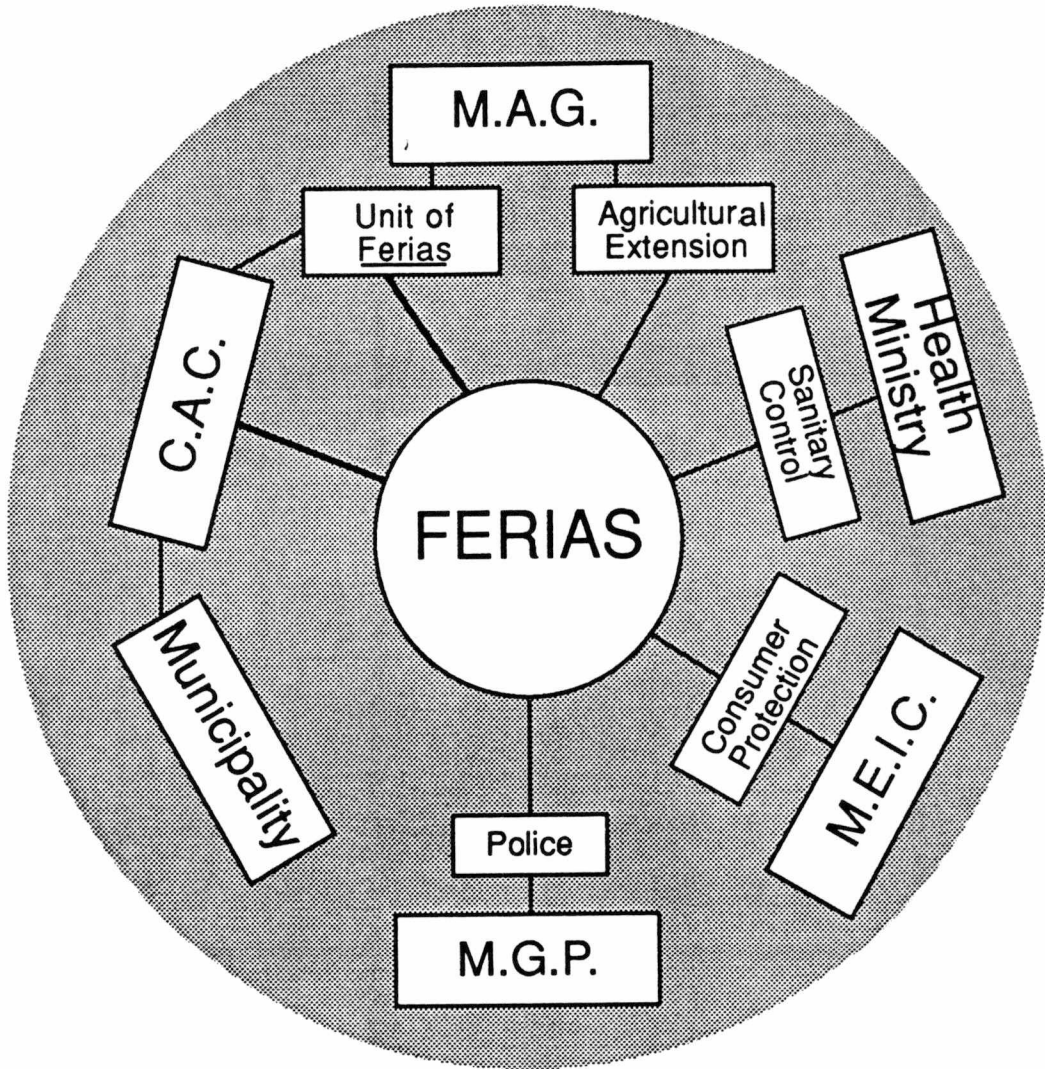


Figure 3. Feria Organization

allowed at the *feria* as sellers. Another important issue is that all products offered must follow requirements of the Code of Health. It is forbidden to sell live animals.

From the standpoint of organization and administration, regulations are established to make buying and selling agricultural products easy and cheap. Expenses of operation are paid by the producers. The administration is not allowed to make a profit.

The MAG, through the offices of the Directorate of Marketing and Office (*Unidad*) de *Ferias*, is the managerial organization in the execution of *feria* regulations, but the institution directly responsible for proper development of the *ferias* is the CAC. The principal responsibilities of the *Unidad de Ferias* are to: 1) enforce application of all *feria* regulations, 2) coordinate the development of the *feria* with other institutions, 3) periodically review all standards and norms and propose solutions to improve the program, 4) evaluate and organize statistical information collected by its inspectors, 5) make weekly official lists of prices, and 6) inspect farms and give farmers their identification cards.

To open a *feria*, the CAC must send an application and a study of marketing to the *Unidad de Ferias* office which alone has the authority to approve or disapprove it. After the *feria* is authorized, the CAC hires an administrator who should have a degree in the agricultural sciences and a group of professionals who have a basic knowledge of agriculture. The

number of assistants depends on the size of the *feria*. It is important to note that a degree in marketing is not required for either the administrator or assistants.

The major functions of the administrator are the following: 1) ensuring compliance with all regulations, 2) assigning lots to producers at the *feria*, 3) keeping watch for quality, measurement and hygiene of the products in coordination with the respective authorities, 4) sending written reports to the *Unidad of Ferias* and, 5) giving technical marketing assistance to the producers.

Participation by producers is also regulated. The first requirement for selling at the *feria* is to be a producer. A farmer must apply to the MAG for an identification card which accredits him as a producer and then as a seller at any *feria*. Producers must bring copies of the title of their property or a rental contract for the farm they have in production. In addition, farmers must list the products being harvested. After that, the MAG inspects the farm and, if the producer has met all requirements, he receives a participation card which not only accredits him as a producer but also authorizes him to sell. According to the regulation, farmers can sell only those goods authorized by the card. The identification card must be renewed every three months because of the seasonality of products and especially to avoid participation of middlemen. Every producer who goes to a *feria* is obliged to show the card when asked. Moreover, farmers

must follow all regulations established by the Ministry of Health.

## CHAPTER IV

### CASE STUDIES: THE FERIAS OF SAN JOSE AND SAN ISIDRO

As it was not feasible to analyze all 25 *ferias* in Costa Rica, four of the *ferias* in San José and San Isidro were selected for this study (Figure 4). San José was chosen to represent the large cities of the country. Three of the ten *ferias* in San José -- Zapote, Desamparados and Plaza Viquez -- were selected to represent the range of *feria* size and *feria* consumer income encountered in that city. San Isidro, with only one *feria*, was chosen to represent a small city in the countryside.

Two questionnaires were developed to gather primary data. The first was administered to producers and the second to government authorities responsible for *feria* administration, regulation and control (Appendix A). Variables used to characterize producers were crops grown, transportation and marketing, while authorities were surveyed regarding organization, structure and performance of the *feria*. The data were collected in October 1990. Ten percent of the approximately 1,550 producers at the three San José *ferias* were selected by matching random numbers to the MAG producers lists. This random sample of 155 producers was

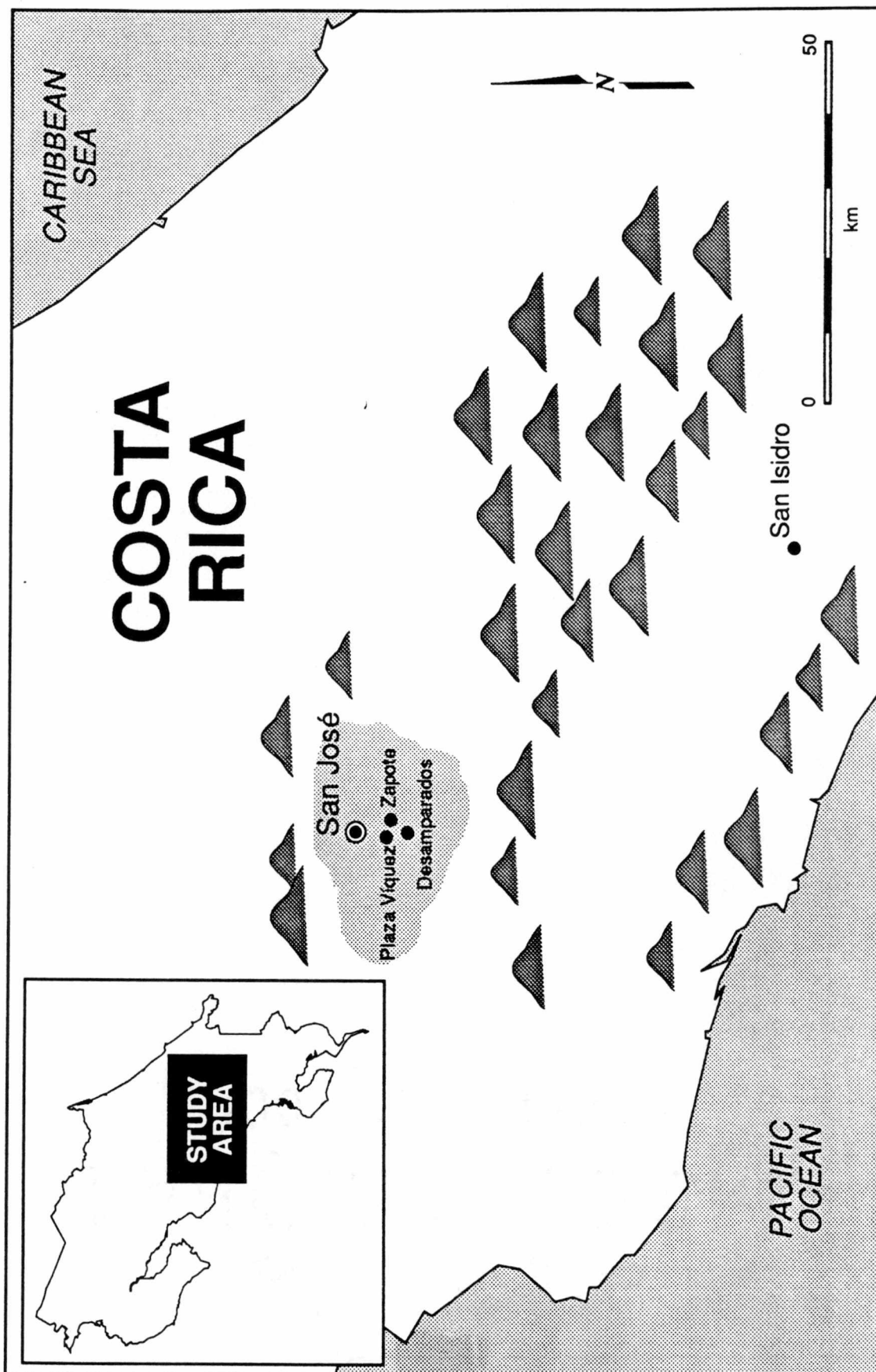


Figure 4. Map of the Ferias of San José and San Isidro



expected to provide a statistically viable sample. In San Isidro, where about 200 producers participate in the *feria*, 15 percent were interviewed to provide a larger, more informative random sample.

Because it was not possible for a single researcher to attend all four *ferias* on the same weekend, two additional persons,<sup>1</sup> both university graduates, served as research assistants. They were trained and supervised by the author.

In addition, all ten government officials who administer the *ferias* were interviewed. Their positions are given in Appendix B. Surveys of authorities and administrators of the *ferias* under study focused especially on the application of *feria* regulations and the roles of different government agencies. Some questions were included to obtain the administrative point of view about producer problems, and about the role of middlemen at the *ferias*. The four *ferias* studied are described in this chapter. Results from the questionnaires have been tabulated and included in the discussion in Chapter V.

#### San José's Ferias

San José is the capital of Costa Rica. It is located in

---

<sup>1</sup> Joaquín Bonilla and Aracelly Beita, both teachers at Schools in San Isidro and former students of the author, assisted in the research.

the Central Valley<sup>2</sup> in the central part of the country at an elevation of 1172 meters. The mean annual temperature in San José varies between 19 and 20 degrees celsius, and precipitation varies from 1500 to 2000 mm annually (Hall, 1985).

San José, the largest city of the country, occupies 182 square kilometers. According to the 1984 Census, its population is 600,000 inhabitants. San José is the major political, economic and social center of the country. In other words, it is the truly central place and other cities are under its influence.

San José has ten *ferias* (*La Nación*, May 15, 1990), of which this research analyzes only three: Zapote, Plaza Viquez, and Desamparados (Figure 4, p.36). Zapote was selected because it is the largest and the oldest, while Plaza Viquez and Desamparados were chosen because they involve a large number of producers. Zapote's *feria* is held at the public plaza,<sup>3</sup> five kilometers east of the center of the city. The east side of San José is one of the most heavily populated areas of the city, and contains the principal middle class neighborhoods, from which come the largest number of

---

<sup>2</sup> The Central Valley is the most important agricultural area of the country. It is located in the center of the country and is characterized by small land holdings.

<sup>3</sup> Zapote public plaza is located in the neighborhood of the same name. It occupies 100 square meters and is where the municipality conducts bull fights and other public entertainment.

consumers.

About 600 farmers meet for the Zapote *feria* on Sundays from 5 a.m. until 2 p.m. to offer a variety of fresh farm produce to the urban population. The north side of the plaza is occupied by a bull ring around which meat sellers and artisans are situated. The other part of the plaza is occupied by farmers. Sellers display their produce in eight parallel rows, 100 meters in length with three meters between each row for consumers to walk. A space of two meters is assigned for each producer (Figure 5). Different products were grouped as follows: garden vegetables (cabbage, celery, lettuce, spinach...), vegetables (squash, carrots, onions, plantains, pejibaye...), fruit, roots crops, meats and handcrafts. This original spatial organization was the work of the *feria* administrator.<sup>4</sup> After several years of trying to solve the problem of serious overcrowding, especially from 6 a.m. to 7 a.m. and from 9 a.m. to 11 a.m., he realized that customers were spending too much time wandering around looking for products they wanted, and he decided to position sellers of similar products together in the *feria*. "Although the principal objective was to avoid crowding of customers, this formal spatial organization has been very helpful in better organizing and identifying producers." (Rafael Soto Morice, personal communication, October. 1990).

---

<sup>4</sup> The *feria* of Zapote is administered by the agricultural and cattle engineer Rafael Soto Morice. He has been in that position for seven years.

# Feria of Zapote

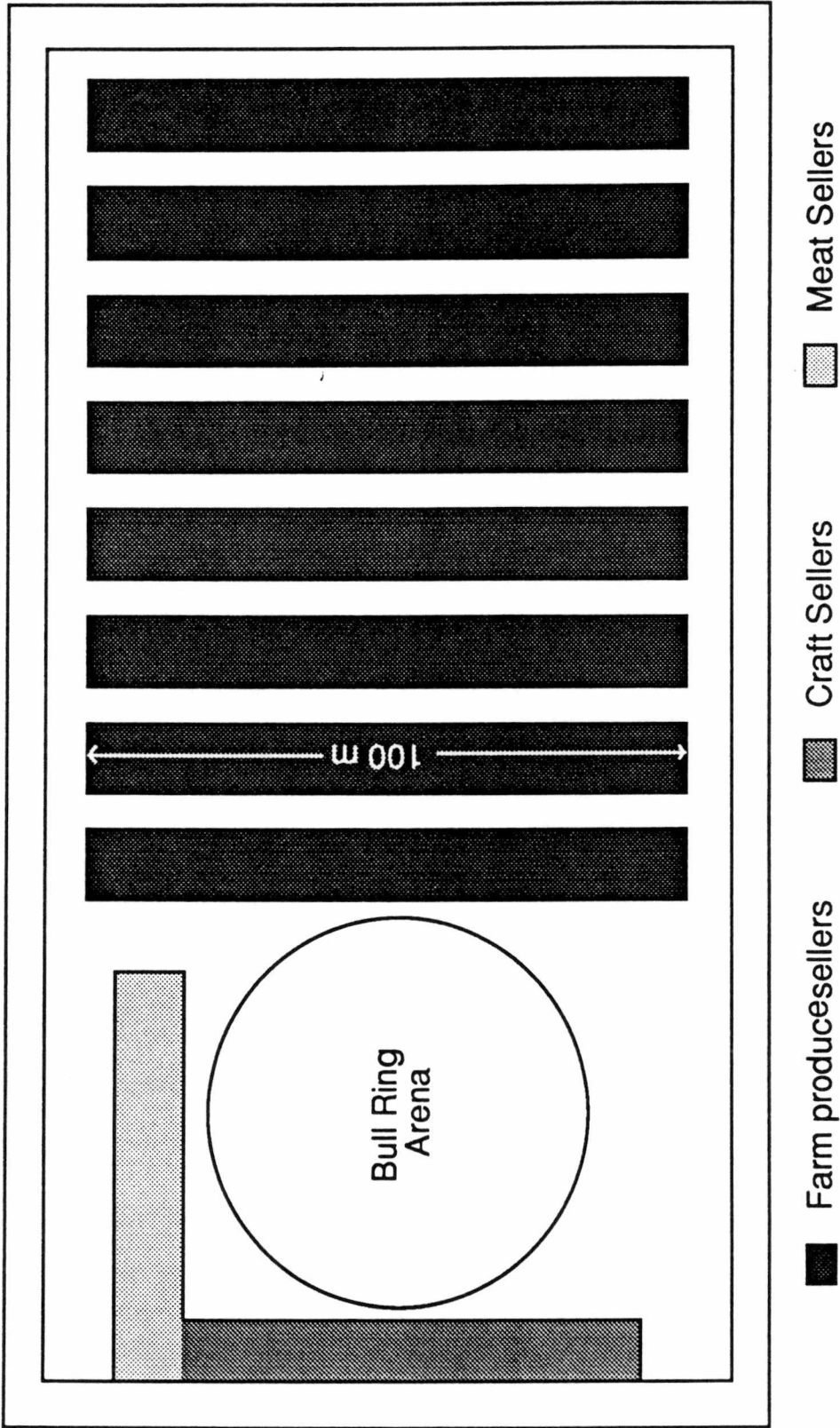


Figure 5. Feria of Zapote

The Zapote *feria* is not only the oldest and largest, but is also the best located. Because it takes place at a public plaza instead of on a street, it has more space for producers and consumers. Although a parking lot has not been built, it is easy to find a place to park around the plaza.

The *feria* of Desamparados, five kilometers southeast of the center of San José (Figure 4, p. 36), responds to the needs of another densely populated area of San José. Regarding the number of producers who attend the Desamparados *feria*, it is almost as large as Zapote. In October 1990, there were 550 farmers attending it on Sundays, (Administrator's interview). This *feria's* location on 500 meters of public streets (Figure 6), make it very crowded from 6 a.m. to 7 a.m. and from 9 a.m. to 11 a.m. Crowding is exacerbated by the location and linearity of this *feria*. Although there are four sides for entering and exiting, most customers use the side which connects the *feria* with the main street because they depend on public transportation. This *feria* does not have any specialized organization as does Zapote. Desamparados *feria* started in March 1980 (MAG, 1984).

The *feria* of Plaza Víquez, at the eastern edge of the center of the city (Figure 4, p.36), is especially attended by the low income population that surrounds San José. This is the smallest *feria* of those under study in San José. About 450 producers sell their harvest at this *feria* on Saturdays. The Plaza Víquez *feria* is on 400 meters of public street

# Feria of Desamparados

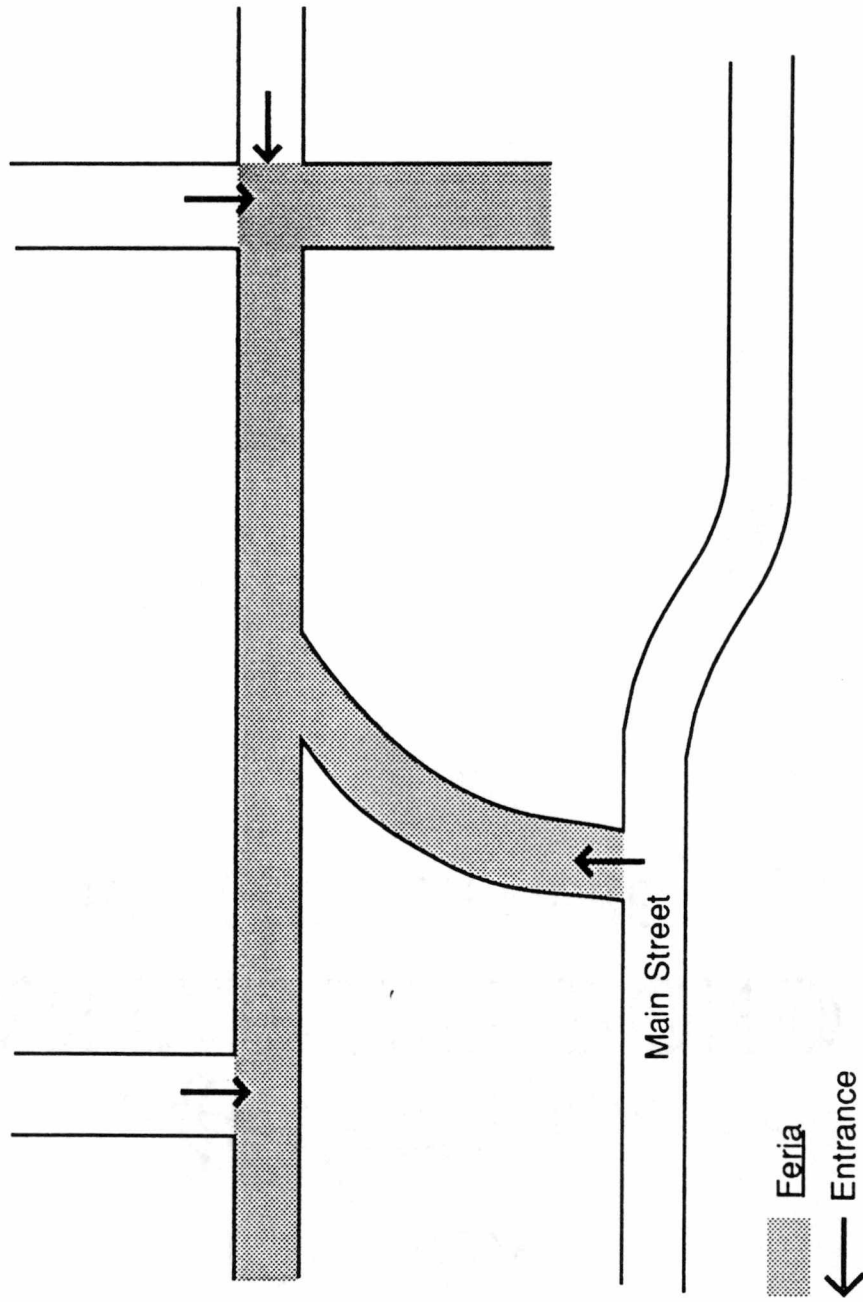


Figure 6. Feria of Desamparados

(Figure 7). It is more accessible than Desamparados because it has the form of a double "T," with more entrances, and wider streets.

### San Isidro's Feria

San Isidro, located in the southeast of the country in the Valle del General (Figure 4, p.36) is a young, rapidly growing city. Pioneers arrived in this land in the beginning of the present century and transformed the valley into a rich agricultural region where production of coffee, sugar, and grains is the most important economic activity.

San Isidro is the main city of the cantón of Pérez Zeledón and the South Pacific Region. According to the most recent census, in 1984, its population was 34,000. San Isidro is not only the most populated city in the southern part of the country, it is also a regional center for government services and private business. It is surrounded by 11 districts which are greatly influenced by this city (Santa Rosa, San Pedro, Daniel Flores, Rivas, Pejibaye, Platanares, Río Nuevo, Barú, General, Cajón, and Páramo). Natural conditions favoring agricultural marketing include fertile farmland, good roads, sufficient urban population, and separation from the nearest large city by the highest mountain range of the country (See Figure 4, p.36)

With regard to marketing, San Isidro has different

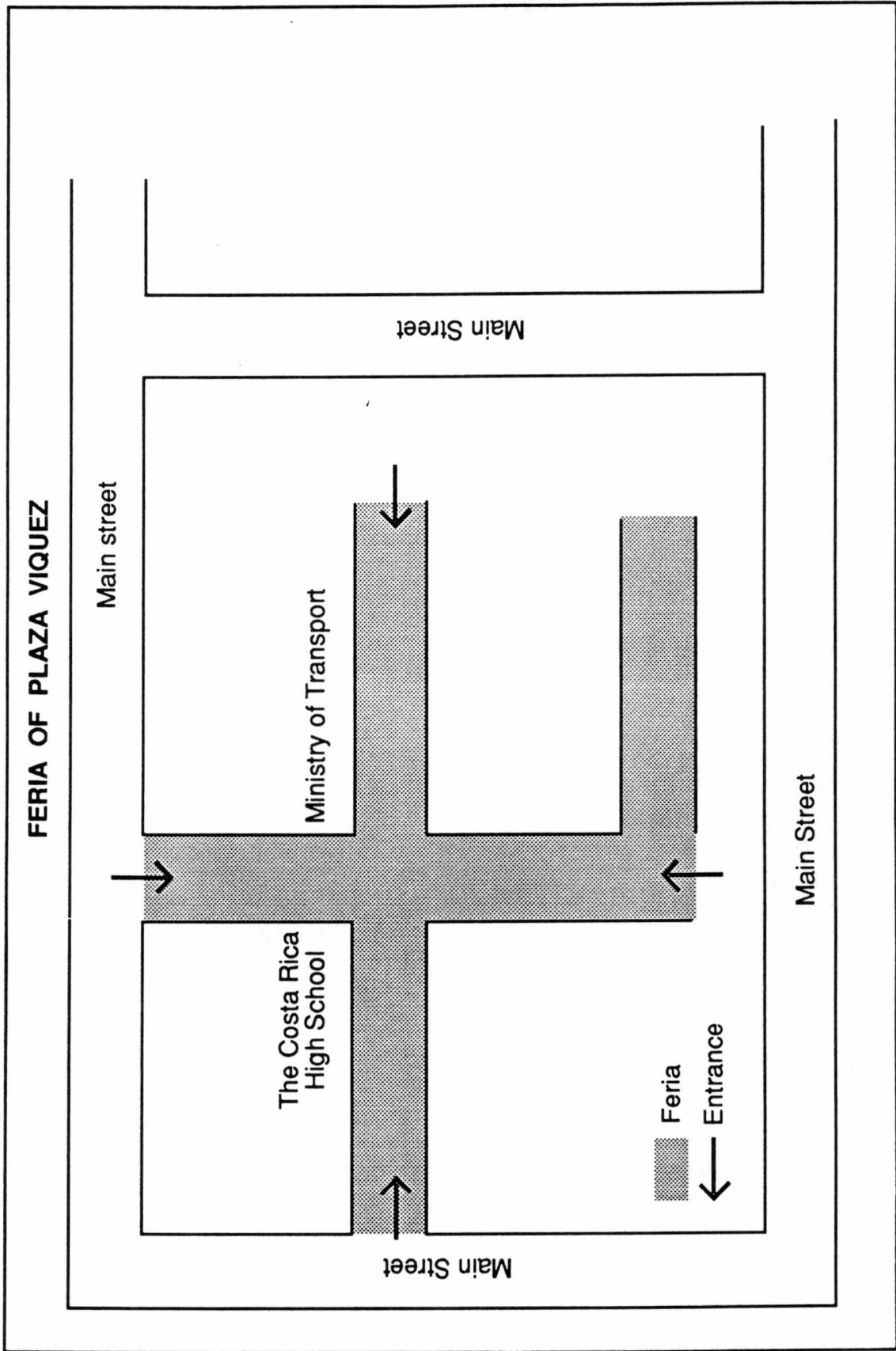


Figure 7. Feria of Plaza Viquez



characteristics from San José. There is one traditional market, in operation since 1931, which is administered by the local municipality. A second unit for marketing fresh produce is the producer *feria*. It is important to remember that marketing power in Costa Rica is concentrated in San José. There is not a wholesale market in San Isidro. For the purpose of this study, retailers were divided into two groups. The first includes those who have a permanent market place within the municipal market. They pay monthly rent to the Municipality for small, individual booths. These markets present spatially organized sellers of vegetables, fruit and meat. Although a modern building was recently constructed, commercial activity is still traditional. Retailers offer agricultural produce without packaging or refrigeration. Middlemen and truckers from the center of the country come to San Isidro once a week, always on Wednesday, to supply this market.

The second group includes producers who sell their commodities in periodic markets directly to consumers outside of the municipal market. In this city, about two hundred small producers meet every Friday to offer their produce. The local authorities maintain strict control over the *feria* to avoid the presence of truckers or middlemen, who are not allowed to participate in this kind of market. The *feria* is a family activity where the producer, along with his older sons and often his wife, is responsible for selling.

The San Isidro *feria* began in 1979. Significantly, this *feria* was started at the same time that *ferias* were begun in the major urban areas of the country.

Since 1979, every Friday beginning at 4 a.m., urban consumers find a great variety of fresh vegetables, fruit, plants, and flowers; a few dairy products; and poultry at this small but active *feria*. Consumers who go early in the morning purchase high quality products, but not at the lowest prices; about noon, prices start to decline and quality declines as well. More products are found at the *feria* than in the municipal market. During the last three weeks of October 1990, almost a hundred different products were identified (Appendix C, p.100). The large diversity is due to the fact that farmers grow diverse products for family consumption and bring surplus produce to the *feria*. In contrast to the *feria*, the municipal market is supplied by merchants who carry only those products of popular consumption. For example, while the traditional marketplace offers two varieties of squash, the *feria* offers many.

Specialization is uncommon among sellers at the San Isidro *feria*. Generally, each farmer offers to the urban population about five or six different products. Producers who come from distant regions tend to be more specialized. For example, those from Cartago, Santa Ana and Paquera specialize in potatoes, onions and papayas, respectively.

The first San Isidro *feria* was located on the sidewalk

around the old municipal market. Because this activity hurt the municipal market sales, retailers pressed the *feria* to relocate farther away. The Municipality, after doing a serious study, decided that the best place to locate the *feria* was on the street east of the municipal market. The *feria* stayed there until September 1990 when, because of its growth, it was necessary to look for a larger street. At present, the *feria* is held one block north of the municipal market (Figure 8). It is on 250 meters of public street. This *feria* is not crowded because San Isidro is a small city, and because the spatial arrangement of the *feria* allows access from several sides.

# FERIA OF SAN ISIDRO

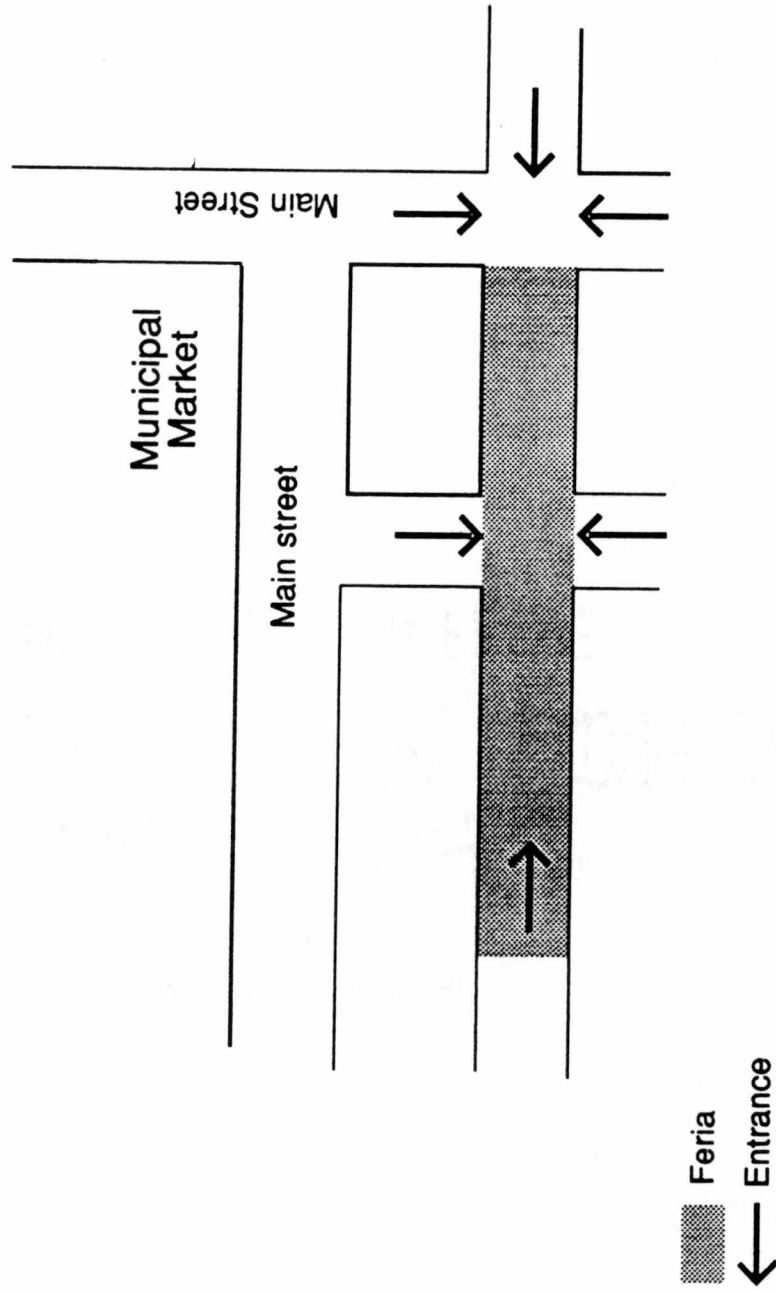


Figure 8. Feria of San Isidro

## CHAPTER V

### THE *FERIA*: ITS ACHIEVEMENTS AND PROBLEMS

#### Discussion of Survey Responses

To evaluate the success of the *feria* system, it is necessary to understand the background and origins of *feria* participants and to compare their views of the *feria* program with those of government officials.

#### Characteristics of Producers, Farms and *Feria* Attendance

With regard to producer characteristics, it is interesting to note that the San Isidro *feria* has greater participation by women compared with those studied in San José (Table 1). Several principal reasons may explain that fact. First, the *feria* of San Isidro is a family activity. Second, farmers have other business to take care of in the city, and they take advantage of the *feria* day to do it. For example, they might go to the banks, government offices, or the hospital. If a farmer came to the *feria* alone, he would not also be able to attend to all of his business on that day. Consequently, a farmer generally brings somebody, often his wife, to stay at the *feria* while he is absent.

Table 1. Personal Characteristics of Producers at the Ferias of San José and San Isidro

	San José %	San Isidro %
AGE		
Younger than 20	18	14
Age 20 to 55	70	75
Older than 55	12	11
SEX		
Male	92	70
Female	8	30
MARITAL STATUS		
Single	6	8
Married	74	75
Other	20	17
HIGHEST EDUCATIONAL LEVEL ATTAINED		
Complete Elementary School	67	70
Incomplete High School	26	10
Complete High School	4	7
Incomplete University	0	3
Complete University	0	3
Never Attended School	3	7

In San José, on the other hand, only eight percent of the sellers interviewed were women. The lower participation of women at the *ferias* of Zapote, Desamparados and Plaza Viquez is explained in that these *ferias* serve farmers from a large geographic area. Some sellers travel long distances to reach San José, and most remain there for two or three days to attend more than one *feria*. These sellers from other towns do not need to do their personal business in San José, thus they do not to bring their wives to help sell.

The small size of farms is an important characteristic, especially among San Isidro producers (Table 2). At both cities, the largest group of those interviewed could be classified as small farmers. In San José, 89 percent of the farmers surveyed work a farm smaller than 50 hectares, and in San Isidro that percentage reaches 93.8 percent. Most of the farmers own their own farms. Eighty-nine percent of the farms represented at San José and 85 percent at San Isidro are owned by the farmers who attend the *feria*. In San José, 8.4 percent of the farmers rent land (93 percent in San Isidro), while 2.6 percent of them at San José and 5.7 percent at San Isidro farm borrowed land.

Another main difference is that 87 percent of the San José producers sell at more than one *feria*. The Zapote *feria* occurs on Sunday, and those at Desamparados and Plaza Viquez are on Saturday. Those farmers who sell at two *ferias* carry enough products for both days. It is impossible for most of

**Table 2. Responses of Farmers Regarding Farm Characteristics and Marketing Strategies**

	San José %	San Isidro %
SIZE OF LANDHOLDINGS		
Smaller than 50 hectares	84.0	93.8
Larger than 50 hectares	16.0	6.2
Total	100.0	100.0
POSSESSION OF THE LAND		
Owned by the farmer	89.0	85.0
Rented	8.4	9.3
Borrowed	2.6	5.7
Total	100.0	100.0
NUMBER OF FERIAS ATTENDED WEEKLY		
Only one feria	13.0	93.4
More than one feria	87.0	6.6
Total	100.0	100.0
LENGTH OF TIME PARTICIPATING IN THE PRESENT FERIA		
From 1 to 5 years	25.0	33.3
From 6 to 8 years	32.0	46.7
More than 8 years	43.0	20.0
Total	100.0	100.0



the farmers to go back to the farm after Saturday's *feria* is over to bring fresh products for the next day. As a consequence, they face the problem of deterioration of their commodities. Products are damaged because farmers do not handle them carefully, and because they do not have refrigeration, adequate packing, or storage services. Products frequently are exposed to weather and are damaged while waiting in trucks or on sidewalks to be sold the next day.

Unlike those in San José, 93.4 percent of the producers at the San Isidro *feria* attend only this *feria* and only 6.6 percent travel to others. This illustrates the more local nature of the *feria* in this small city. At the *ferias* of San José, farmers offer their goods on rented wooden platform. They do not haul this equipment because it takes too much space in the truck and would increase their transportation cost. In contrast, farmers who visit San Isidro carry all the equipment they need. They build, primarily from wood and plastic materials, a market place each week. Producers from all of the *ferias* studied are exposed to harsh tropical weather because of lack of shelter.

#### Producer Origins and Transportation to the *Feria*

The distribution of producer origins reinforces the concept that San José is the national central place for marketing of food products and defines San Isidro as a

regional market (Figure 9 and Table 3) Most of the producers who attend San José *ferias* are from the east central valley.

Sixty-one percent of the farmers who attend San José *ferias* are from the province of Cartago,<sup>5</sup> but only 9.9 percent of those who go to San Isidro are from Cartago. Eighty-four percent of the San Isidro producers come from nearby districts. These data show that the San Isidro *feria* serves a smaller, more regional group of producers than do the San José *ferias*.

San Isidro is surrounded by physical environments which favor production of sufficient vegetables and fruit to supply demand at the *feria* except for potatoes, onions and papaya. Vegetables and various fruits, root crops and some grains are produced on slopes of the Talamanca range. Pueblo Nuevo, La Piedra, San Rafael, and División located north of the city are the principal vegetable-producing centers. Pejibaye, Platanares, Barú and General are centers of fruit, root crops and some grain production (Figure 9).

The transportation of produce to the *feria* also reveals important differences between the San José and San Isidro *ferias* (Table 4). At the San José *ferias*, 94 percent of farmers haul their goods by truck and six percent by jeep. Nine percent of producers must ride a horse from the farm to the place where they get the vehicle which finally takes them

---

<sup>5</sup> Cartago, located at the center of the country, is the most important vegetable-producing region. Especially, all potatoes sold at the San Isidro *feria* are from this region.

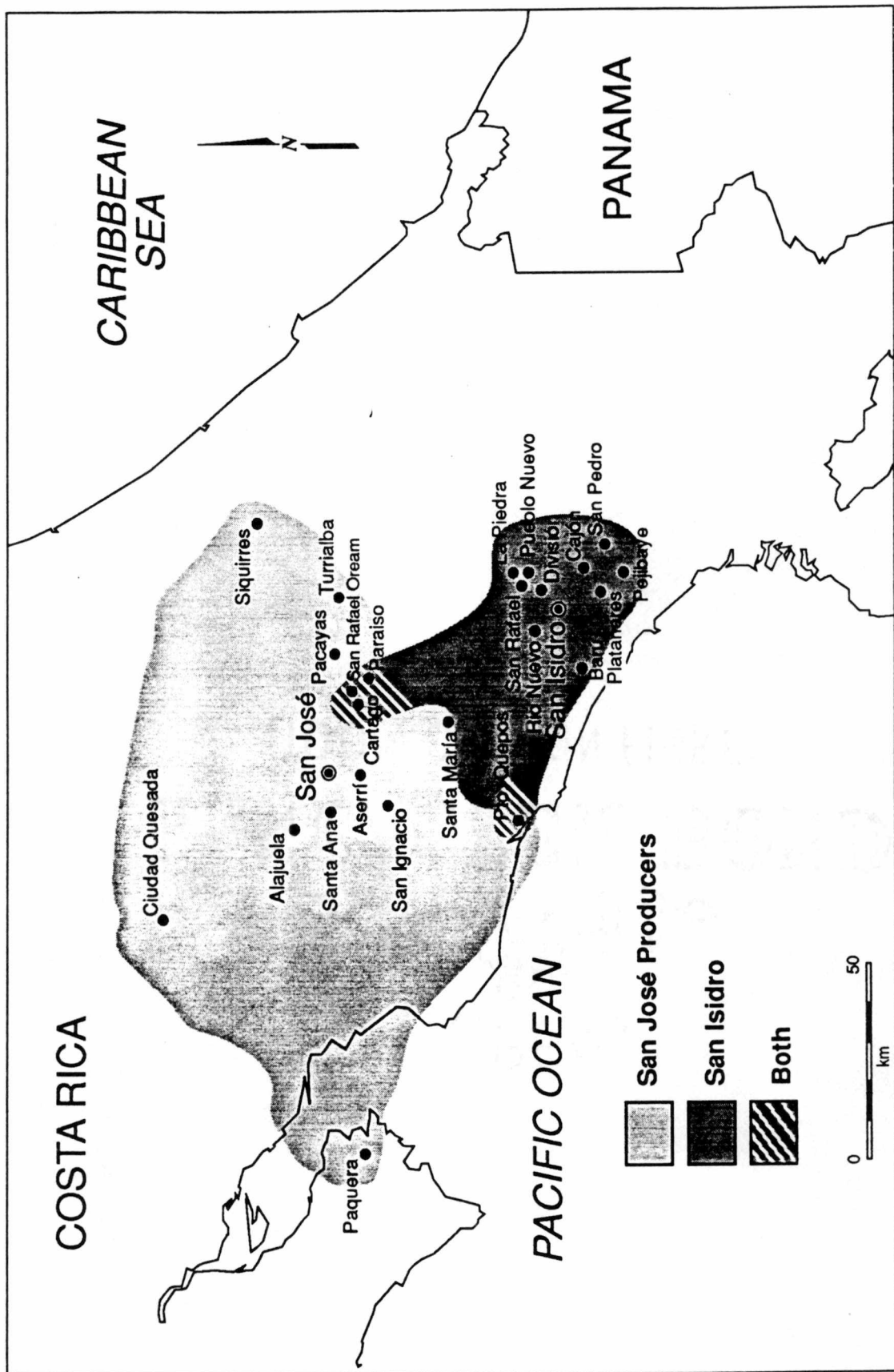


Figure 9. Origin of Producers Who Attend the ferias of San José and San Isidro

Table 3: Origin of Producers Who Attend the Ferias of San José (Zapote, Desamparados, Plaza Viquez) and San Isidro

Place *	San José		San Isidro	
	Number of Producers	%	Number of Producers	%
Pérez Zeledon	0	0.0	25	83.8
Oreamuno	35	23.0	1	3.3
Cartago (centro)	22	15.0	1	3.3
Alajuela	21	14.0	0	0.0
Paraiso	19	13.0	1	3.3
San Carlos	12	8.0	0	0.0
Siquirres	9	6.0	0	0.0
Aserri	8	5.3	0	0.0
Los Santos	7	4.7	0	0.0
Acosta	6	4.0	0	0.0
Santa Ana	4	3.0	0	0.0
Paquera	3	2.0	0	0.0
Other regions	4	3.0	2	6.3
Total	150	100.0	30	100.0

\*These places are shown Figure 9, page 55

to the *feria*. Producers attending San Isidro also depend on local truckers and other persons to haul products as well as equipment. Generally, a local trucker transports the goods of several farmers at the same time. Eighty percent of San Isidro producers pay a trucker, 16 percent of them own a vehicle and 4 percent use a public bus. According to the survey, at San José *ferias*, 64 percent of the producers own a vehicle, 30.2 percent rent one, and 5.3 percent use other forms of transportation.

Table 4. Transportation of Products

	San José %	San Isidro %
Pay a trucker	30.2	80.0
Own a vehicle	64.5	17.7
Other	5.3	2.3

Who owns the means of transportation at San José was an interesting surprise. The fact that 64 percent of the interviewed producers own a vehicle is difficult to believe because farmers in Costa Rica, as in any other developing country, face serious economic problems which make it almost impossible to own a car. Although since 1984 the MAG has encouraged the government to help small farmers get vehicles,

it has not been possible because of the economic problems the country has experienced. At the San Isidro *feria*, only 16 percent of the producers own vehicles. This discrepancy raises doubts and questions to be answered by future research. Is it possible that a small farmer who faces serious economic problems could own a car? Are these 64 percent truly producers or are many of them middlemen masquerading as producers? If they are actually middlemen, their responses to questions about their farms (Table 2, p.52) may also be untrue.

#### Expenses of Producers

Expenses of producers attending the *feria* are transportation; fees for participation; renting equipment, for example wooden platforms; and inspection of the farm (Table 5). Costs of transportation depend on distances and quantity of produce carried. According to the survey, truckers generally charge 5 *colones* (U.S. \$ 0.04) for each kilogram transported. Eighty-five percent of the farmers selling at San José pay between 800 and 2500 *colones* (U.S. \$ 6.47 to 21.36) weekly, while San Isidro producers pay between 500 and 1500 (U.S. \$ 4.27 to 12.82). Farmers at San Isidro pay less than those at San José because they travel shorter distances and because they pay a lower participation fee and bring their own equipment.

Table 5. Expenses Incurred by Farmers in marketing Their Goods.  
(Absolute values and percentages)

	San José		San Isidro	
	Number of Producers	%	Number of Producers	%
Prices paid to transport goods from the farms				
Less than C 500	7	5.0	4	13.3
From ₡ 500 to ₡ 1000	19	12.0	18	60.0
From ₡ 1100 to ₡ 1500	51	34.0	8	26.7
From ₡ 1600 to ₡ 2000	42	28.0	0	0.0
From ₡ 2600 to ₡ 3500	16	11.0	0	0.0
More than C 3500	15	10.0	0	0.0
Total	150	100.0	30	100.0
Other expenses paid by producers				
Participation fees*	₡ 150.0		₡ 100.0	
Renting wooden platform*	₡ 150.0		₡ 0.0	
Identification card**	₡ 100.0		₡ 100.0	
Farm inspection**	₡ 500.0		₡ 500.0	
Total Expenses Quarterly (13 Weeks)	₡ 4500.0		₡ 1900.0	

The present rate of exchange is 100 colones (₡) to US \$1.

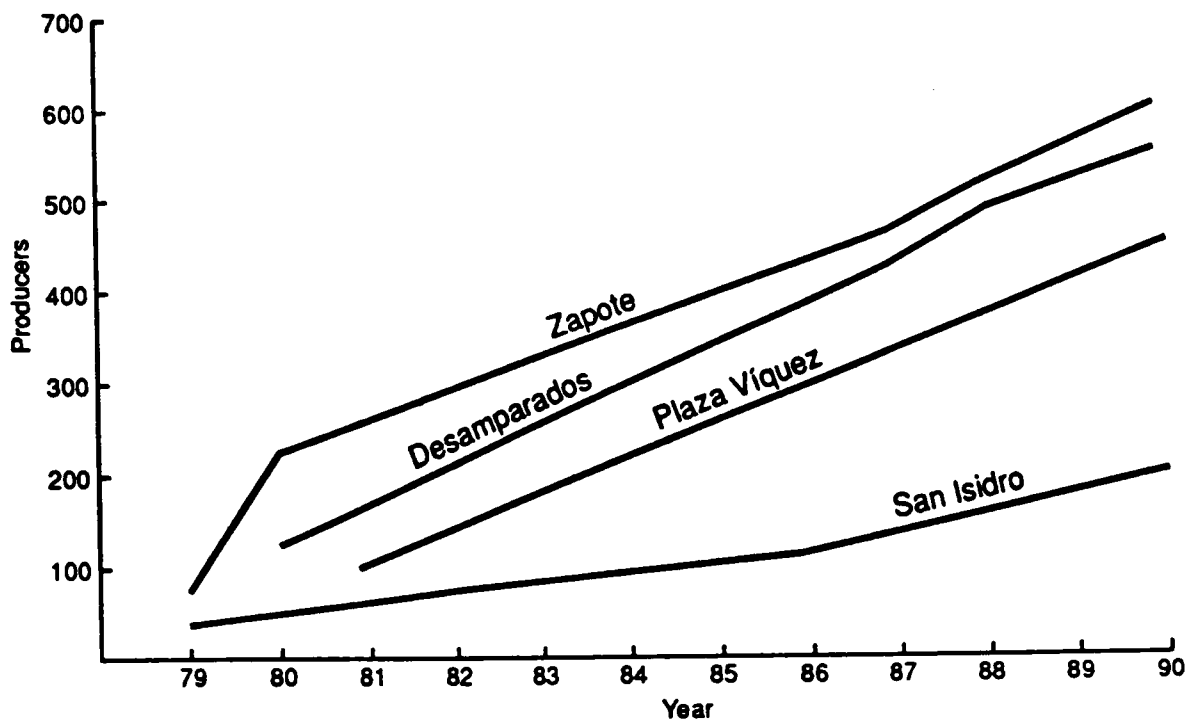
\* Paid weekly

\*\* Paid quarterly

## Are the Ferias Successful?

### Feria Attendance.

Figure 10, drawn from MAG statistics, indicates that the number of producers appearing at the feria under study has grown very rapidly. Between 1979 and 1990, the total number of farmers selling at ferias increased more than ten times.



\* Zapote, Desamparados and Plaza Viquez are ferias from San José

Figure 10. Number of Producers Attending the Ferias of San José and San Isidro

This may mean that ferias have been so successful that a large number of small farmers want to attend them, that there is a



great infiltration of middlemen, or that more producers attend multiple *ferias*. The greatest increase of farmers was in the first five years of the *feria*. After 1984, the rate of increase slowed. The reasons for this are not clear. It may be because, as in any new activity, enthusiasm wanes after a while; or because initial objectives were not met, regulations became outdated and consequently inoperative, middlemen gain too much participation, or because the country is facing the problem of rural emigration to urban areas.

#### Advantages of the *Feria* According to Producers

Success of the *ferias* is analyzed in this study through the opinions of producers as well as through those of government officials. According to producers, although the *feria* presents some problems, it has allowed them to improve their living conditions. Each producer surveyed was asked to rank four given benefits of the *feria*, with number one the rank of greatest perceived importance (Table 6). Producers classified as the main advantage of the *ferias* the fact that they now have more access to cash than they had previously. As the second most important achievement, producers ranked the improvement of their nutrition. At the *feria* they can either purchase or exchange products with other farmers. In other words, producers consume a greater variety of products which have thus improved their diets. According to them, they consume more vegetables and fruit than a decade ago. The

third ranked success is the exchange of popular knowledge about crops. Overall, 88 percent of the producers surveyed in San José and 95 percent in San Isidro agree that their living conditions have improved because of the *feria*.

Table 6. Ranked Advantages of the *Feria* from the Perspective of Producers

ADVANTAGES	% No.1	% No.2	% No.3
Improved access to cash	60	30	10
Improvement of farmer nutrition	18	75	7
Trade of knowledge about crops	7	80	13

#### Problems of the *Ferias* According to Producers

Although producers surveyed are generally pleased with the *feria*, they face some problems. Producers were asked to enumerate the three most important problems affecting their participation in the *feria*. The results, summarized in Table 7, follow in order of importance:

1. Lack of basic services, such as water, shelter, restrooms, and bathing facilities. At San José, there are only two restrooms at each of the *ferias* studied, while at San Isidro there are none. The lack of bathrooms and shelter is a big problem because producers stay for at least one night if they attend San Isidro, and two if they attend San José *ferias*. It is very hard for them to sleep in a truck or on the sidewalk without any shelter.

Table 7. Problems at the Ferias of San José and San Isidro According to Producers. (Percent of Producers suggesting each problem)

Producer opinion	SAN JOSÉ			San José Total	San Isidro
	Zapote	Desam- parados	P. Viquez		
Lack of services (water, shelter bathing facilities, restrooms)	90.6	92.1	90.8	91.2	100.0
Transportation of products to the ferias	87.9	86.6	90.3	88.2	54.6
Participation of middlemen	78.6	82.5	80.4	80.5	64.6
Difficult access to credit	56.2	56.6	65.7	58.2	65.3
Participation of part time producers	42.6	56.2	68.4	55.7	48.4
Deterioration of products	49.6	56.4	58.6	54.8	46.9
Waste of agricultural products surplus	56.8	46.2	48.4	50.4	39.4

2. Transportation of products and equipment, such as wooden platforms and other materials for preparing a market space, to the *feria*. This is especially a problem for those who produce and transport small quantities. Producers claim that truckers charge as much as they want and that producer profits diminish because of the high price they must pay to transport their goods. The government has known of this problem since the beginning of the *feria*, but for lack of economic resources, the problem remains. The Ministry of Agriculture, in several reports, has recommended looking for a solution (MAG 1984, 1986).

3. The participation of middlemen. Although *feria* regulations do not allow middlemen to participate, middlemen do attend, according to authorities and producers surveyed. According to the officials surveyed in October, 1990, middlemen, with more economic power and better knowledge of the market system, disguise themselves as farmers and sell at lower prices than farmers. At the San Isidro *feria* there is not as much participation of middlemen as in San José because it is mostly a regional *feria* where producers know each other. According to the administrator, a few disguised middlemen come from the center of the country where they purchase goods of second quality at the Wholesale Market. They haul these goods to the San Isidro *feria* and sell them as first quality, but at lower prices than regional producers, in violation of price

controls.

4. Difficult access to credit. Although the National Bank System offers credit, producers do not use it because of high interest rates which reach 18 percent monthly. There is not a special credit for those farmers who attend the *feria*. Moreover, small farmers are afraid that they will not be able to repay the bank.

5. Participation of part-time producers. This new group of traders are identified in this study as part-time producers although they could be called part-time middlemen. According to the producers surveyed, some farmers owned trucks at the time the *feria* began. In addition to hauling their own goods, they transported agricultural produce for their neighbors. Later, these producer-truckers found that it was more profitable to be a trucker than a farmer. Because they must be a producer to attend the *feria*, they keep the land to qualify as a farmer, but they buy most of what they haul to the *feria* rather than produce it themselves. Sometimes these former businessmen make secret agreements with farmers who need transportation; the part-time producer hauls the small producer's commodities but requires the small producer to sell him part of the harvest. In this way, the farmer-trucker has enough agricultural goods to participate in the *feria* as a real farmer. This practice is not legal, according to *feria* regulations.

6. Deterioration of the products. Fresh vegetables and

fruit are perishable and fragile. Because farmers usually do not handle crops correctly and do not have refrigeration and other storage services, products are easily damaged and profits are consequently diminished.

7. Waste of agricultural surpluses. Those farmers who live far away from the city and depend on public buses to return, leave their unsold produce on the street. Late buyers sometimes get free produce but, most of the time, excesses are collected as garbage. This problem is linked with the lack of technical assistance in marketing. Although the MAG has programs to help producers, the interviewed farmers report that they have not received any technical assistance.

8. Producers who attend the *feria* of Zapote are temporarily moved every December to a small and uncomfortable place because the arena is used for the national festival. Producers said that sales decline at this time.

9. Producers are also unsatisfied with market space, believe that participation fees are too expensive and see a need to improve *feria* administration.

#### Problems and Achievements of the *Feria* Program According to Government Officials

From the point of view of government officials, the *feria* system has been successful. According to them, the *ferias* have many more positive elements than negative ones. Officers

ranked the three most important achievements of the *ferias* as follows (Table 8):

1. Improving living conditions of producers. Eight of ten authorities agree that improving producers' family incomes is the most important advantage of the *feria* system.

2. Better nutrition for urban consumers, and especially for producers. Eight of ten government officials ranked as the second most important achievement of the *ferias* the improvement of farmers' nutrition. Because of the *feria*, farmers who based their diets on a small group of staple foods before the *feria* have learned about and gradually incorporated different foods into their diets. Authorities state that farmers have increased their consumption of vegetables and fruit. In others words, the *feria* has changed food consumption patterns for producers.

3. Socialization of farmers. Seven of ten officials surveyed ranked third the socialization of producers. All authorities interviewed believed that farmers are more communicative and more sociable people than they were when they started attending the *ferias*.

Other advantages mentioned by the officers are the exchange of popular knowledge about crops, and the influence of the *feria* program on prices at the market. Before the *feria*, the municipal markets had a monopoly on selling fresh produce, but today the municipal market must compete with the *feria*. Authorities also recognize that, through the *feria*,

**Table 8. Advantages and Problems of the Feria Ranked from the Standpoint of Government Authorities\*.**

	Adv. Number 1	Adv. Number 2	Adv Number 3
ADVANTAGES			
Increase of family income	8	2	0
Improvement of farmers' nutrition	1	8	0
Socialization of farmers	1	1	7
PROBLEMS			
Violation of ferria regulations	5	4	1
Sharing of functions between government agencies	3	7	0
Lack of personnel	1	8	0
Lack of marketing services	1	4	5

\* 10 government officials were surveyed



quantities and varieties of vegetables and fruits for Costa Rican domestic consumption have been increased.

Although government officers believe that the *feria* program is successful, they recognize that the *ferias* face several problems. From the standpoint of *feria* authorities and government officials, the major problems that the *ferias* confront were suggested and ranked as follows (Table 8, p.68):

1. Violation of *feria* regulations because of a weak framework. The *feria* is organized from an old and weak set of regulations. Authorities interviewed agreed that the law which guides the activity is outdated. It was useful at the beginning when the numbers of products, farmers and consumers were small, but today, as the activities have increased, it has become ineffective. With regard to this problem, Sanarrusia (1986) claims that *ferias* are regulated by an old and defective decree that promotes a difficult application.

The four *ferias* under study demonstrate that this commercial experience which was very successful during the first years of its functioning, today is stagnant or perhaps has diminished because the regulations have not been adapted to its growth. Because administration and development of the *ferias* is subject to coordination by several government agencies, enforcement of regulations is very difficult. Clear violations have been found. For example, on the fourth week of May, 1986, the Office of *Ferías* found numerous violations (MAG 1986) (Table 9). From the point of view of authorities,

Table 9. Reported Violations of Feria Regulations.  
(Absolute Values)

Name of the Feria	# Viol.	# Prods	Type of Violation		
			Speculative	Health	Legal
Zapote	263	410	58	95	110
Desamparados	161	450	46	51	64
Plaza Viquez	162	350	49	59	54
San Isidro	146	115	91	29	26
Total	732	1325	244	234	254

Violations Found by the Office of Ferias in the Fourth Week of May, 1986 at the Ferias of San José.

Source: MAG Report 1986

# Viol. = Number of violations

# Prods.= Number of Producers

several violations cited by the MAG in 1986 still are present. According to the authorities, many violations are of a legal nature, such as producers being without identification cards, with expired cards, or with altered cards (Table 10). Because there is a lack of refrigeration, commodities sometimes do not have a good appearance, especially after they have been exposed many hours to the hot sun. Producers use water of doubtful quality to keep the produce fresh. Moreover, some farmers do not have wooden platforms and sell their produce directly on the street, which is not allowed. According to *feria* regulations, produce must meet quality standards and have visible prices. Although the *Unidad de Ferias* establishes prices based on quality, products of second quality are commonly sold as first quality. In several cases, products do not have visible prices.

Table 10. Most Frequent Violations of *Feria* Regulations Ranked by Government Authorities.

Violations	%	Number of Producers
Producers with altered card	30	3
Producers with expired card	20	2
Producers without card	10	1
Not visible prices	20	2
Price speculation	20	2
Total	100	10

Another example of dysfunction in the present regulation

is the following: When a producer is selling a product at a higher price than that established by law, either the administrator or his assistant will ask him to stop. If the producer does it again, the administration will write a report and send it to the *Unidad de Ferias*. This office will attract attention to the producer. But, because this is a bureaucratic system, by the time the resolution comes, if it arrives, everybody has forgotten the issue. The problem is that the *feria* administrators do not have the power to enforce regulations.

Other problems or irregularities for the *Unidad de Ferias* are: farmers with more than one space or lot, farmers without identification cards, farmers with invalid or altered cards, producers selling products different from those allowed by their identification card or farmers using identification cards that do not belong to them (MAG, 1986; interview with the head of *Unidad de Ferias*, October 1990).

2. Several government agencies administer the *ferias*. This creates confusion and makes it difficult to enforce regulations. Sometimes when authorities from one agency attract attention for an irregularity or violation, the producers answer that it had been approved by another authority who had been there before. Authorities surveyed agree that violations of regulations are a consequence of sharing functions between several government agencies. In addition, the administrative framework appears to present

contradictions. For instance, while the CAC is directly responsible for the *feria*, it lacks authority. This agency neither dictates policies nor applies corrective measures. Another problem of the regulations is that they were made to organize small *ferias*, and today the same regulations without any variation apply to a much different scale of activity. Good enforcement of regulations is very difficult because there are too many agencies responsible for its organization and development. Previous studies of the *feria* system (Villasuso, 1982; Pro-Desarrollo, 1986) also found the inefficient institutional framework to be an important problem. Centralizing the *feria* administration into only one agency is recommended to reduce bureaucracy and to clarify functions.

3. Lack of personnel. Eight of ten officials surveyed ranked shortages in personnel as the third major problem. The CAC, which is the office responsible for the smooth functioning of the *feria*, has assigned one administrator and seven assistants to Zapote's *feria*. The same administrator and five of the assistants control Plaza Viquez's *feria*, while Desamparados works with one administrator and five assistants. One administrator and one assistant organize the *feria* of San Isidro. In addition, the MEIC has assigned one price inspector at each *feria*. These authorities report that it is almost impossible to enforce regulations with such limited personnel. For instance, they go through early in the morning

reviewing identification cards, checking quality versus price and collecting money. When authorities find that a producer is in violation of the law, they ask him to be fair but they do not have time to see if the producer changes. When they finish reviewing all of the farmers, the *feria* is almost over. Lack of personnel also limits the ability of regulatory agencies to collect statistical information.

Finally, although from a general point of view the *ferias* appear to be successful, they are in danger of stagnation. The government has demonstrated a lack of administrative capacity to handle the *ferias*, and to fulfill the terms of the regulations. None of the agencies dealing with the *ferias* has become a dynamic institution coordinating and integrating the *feria* into the national economy as a productive force contributing to development of the country. The initial enthusiasm for this commercial activity has diminished and, as a consequence, the number of *ferias* has decreased all around the country (Figure 11). The main objective of the *ferias* has been accomplished only partially. The socio-economic situation of Costa Rican small farmers, although improved, remains near the subsistence level. The producer *ferias* program may become stagnated or perhaps disappear because the government has not implemented an overall strategy to assure its continued success.

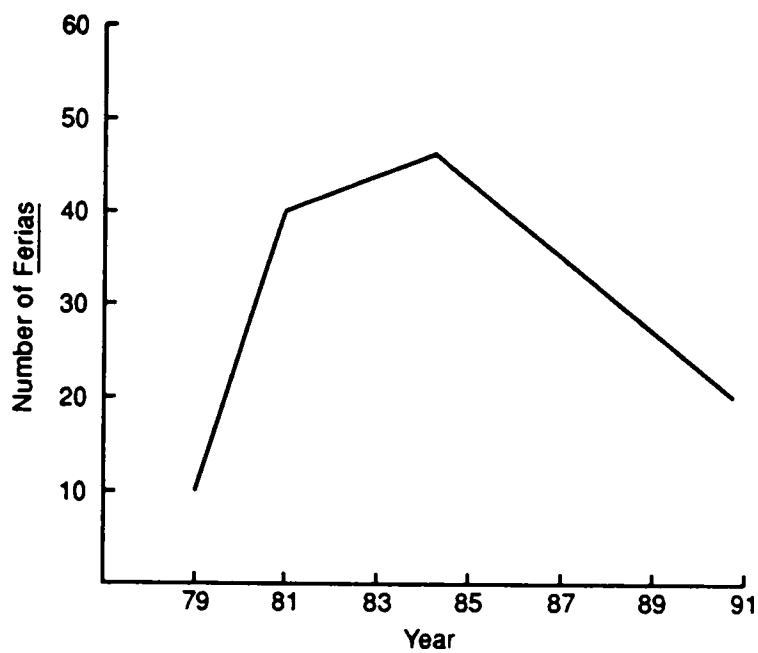


Figure 11. Number of *Ferias* between 1979 and 1990

## CHAPTER VI

### CONCLUSION AND RECOMMENDATIONS

#### Conclusion

Marketing of vegetables and fruit for domestic consumption in Costa Rica is not well modernized and characteristically lacks related services. Although the government created the *ferias* to help small producers reach urban markets, the producers still face several obstacles to selling their products at the *feria*.

All *ferias* around the country have not reached the same level of success. *Ferias* in small cities appear to have been more successful than those in large urban centers. For example, in San Isidro, a small city with a small regional *feria* where people know each other, the *feria* has accomplished most of its basic objectives. In contrast, the *ferias* of San José, attended by producers from most distant regions of the country, do not appear to be fulfilling their original objectives.

The role of the state is confused. While the *feria* was created to improve life for small producers and to diminish marketing margins through limiting the participation of



middlemen, the state created regulations that are difficult to implement. The present framework controls in some ways small and regional *ferias*, but is weak and unsuccessful at the largest *ferias*, due largely to the inability to enforce *feria* regulations.

Based on interviews with a sample of 150 producers participating in *ferias* in San José and San Isidro and with the ten persons responsible for administering those *ferias*, advantages and problems of the *feria* system are identified.

### Advantages

According to the surveys the advantages are summarized as follows:

1. One of the major objectives of this marketing activity is assisting small farmers to earn more money on a weekly basis, and in general, improving family's income. Because of the *feria*, producers have more access to cash which was scarce before the *feria* began.

2. Another benefit of the *feria* is the role it plays in changing the food patterns of the Costa Rican population. During this commercial activity, the diet of urban consumers as well as producers has been improved. A greater variety of fresh produce is more accessible to the urban customer than ten years ago. The impact on diet was greatest in rural sectors where the population previously ate only whatever they produced.

3. According to *feria* administrators, one of the most visible accomplishments of the producer *feria* is the socialization of rural people. At present, producers are in contact with more people and they are more approachable than a decade ago.

4. Members of the *feria* have increased their knowledge of crops. Moreover, producers have established socio-economic relations that have improved their lives.

5. Another main advantage of the *feria* is its basic role in influencing prices at the market. *Ferías* ended the monopoly of the free municipal markets in the commercialization of agricultural products. On the day of the *feria*, municipal market prices are frequently lowered to match *feria* prices.

6. Integration of women in the business of the family is another benefit of the *feria*. In Costa Rica, as in almost all Latin American societies, rural women were not part of the selling and bargaining process, but served a role as wife and mother. As a consequence of the *feria*, Costa Rican rural women have started participating in and making commercial decisions regarding the family business.

7. *Ferías* have been an important element for alleviating pressure at the traditional markets. Before the *feria*, the municipal markets were the only place to purchase vegetables and fruit, and they were very crowded. Today, municipal markets are not crowded because *ferías* have absorbed the responsibility.

8. Finally, it is important to recognize that, according to the head of the *Unidad de Ferias*, the *feria* program has helped to expand quantities and varieties of vegetables and fruits in Costa Rican domestic production.

### Problems

According to the surveys, the problems are summarized as follows:

1. The *ferias* are organized by outdated regulations. The MAG, the head institution, cannot control the *ferias* because there are several government offices, without coordination, simultaneously handling the *feria*.

2. There is a lack of related services. Marketing continues to be rudimentary, with no packing, refrigeration or other services. The government has not developed aggressive policies that would improve the sale of perishable products. This is one of the reasons the products are not always of primary quality.

3. The *ferias* are not accessible to all small producers. Lack of transport, credit and technical assistance, and limited production make this marketing activity unreachable for many small producers throughout the country.

4. Illegal activity occurs. Some middlemen masquerading as producers, who have greater economic power and more market knowledge, attend the *feria*. The MAG (1986) states that their

existence defeats the basic objectives of the *ferias*.

### Recommendations

The following recommendations are based on the preceding analysis of the strengths and weaknesses of the *ferias*. In the opinion of the researcher, it is urgent that the Costa Rican government implement the following measures to avoid the disappearance of small farmers from the *feria*. If the state does not take care of these problems, it is possible that producer *ferias* will evolve to free markets.

1. Because none of the agencies dealing with the *ferias* has become a dynamic institution, coordinating and integrating the *feria* into the national economy as a productive force contributing to development of the country, it is necessary to restructure the administrative framework. Many of the problems can be resolved with a major reorganization. It is urgent that the administrative functions be centralized in only one agency that can organize, administer, evaluate, control, and correct the *feria*. A simple model of organization is proposed to accomplish this, in which a Board of *Feria* is created (Figure 12). This Board should be a department of the MAG to take advantage of the experience and resources of this ministry, but it must be independently organized. It will centralize all of the business of the *ferias*. The Board of *Ferias* will have five departments or offices. The first is the legal office. This office will

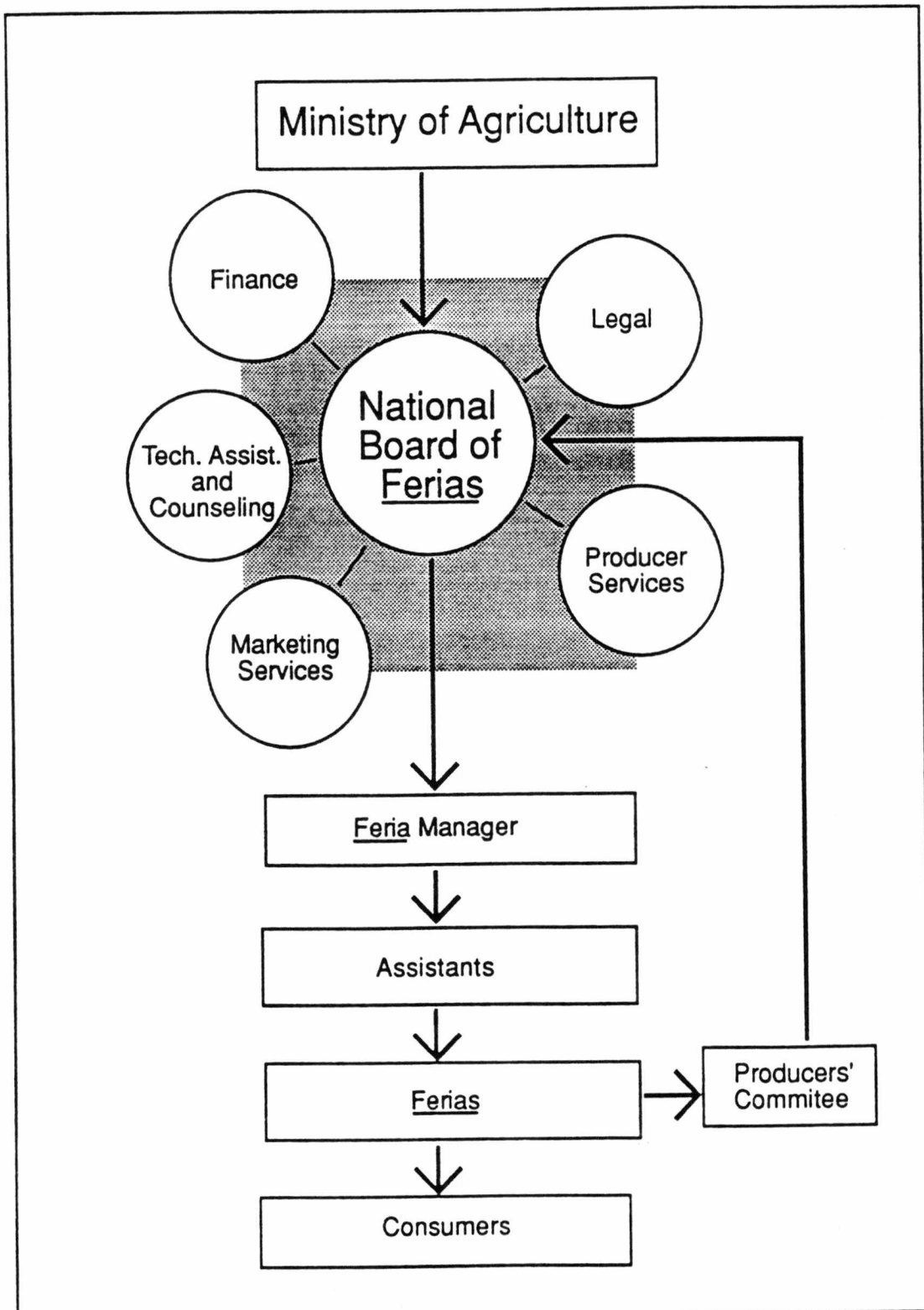


Figure 12. Proposed Feria Organization

prohibit middlemen from attending the *ferias* and will handle other legal tasks. The second is Finance which will take care of such business as fees, equipment rental, and other matters related to money. A third department is Marketing Services. This office will have under its responsibility the search for improved marketing services. Another office is Producer Services. It is required to offer basic services such as restrooms, bathrooms and shelter for producers. The last office is Technical Assistance and Counseling. Each office will have a head and all five heads will be part of the Board. In addition, each *feria* will have a manager and a crew of assistants. The number of assistants will depend on the size of the *feria*. Managers and assistants will implement policies dictated by the National Board of *Ferias*. Finally, producers should have their own committee. Two representatives of producers, all *feria* managers, and the head of each office will comprise the National Board.

2. Another important task is to organize farmers into cooperatives, especially for transporting produce to the *feria*.

3. The state must offer special credit as well as technical assistance to small farmers.

4. It is necessary to search for a solution to the problem of surplus waste. Agreements with industries or large institutions such as hospitals and schools may yield a possible solution.

5. Another clear necessity is to achieve improvements in marketing services and in basic services to producers (shelters, water, and restroom facilities).

6. Meetings should be held to bring together managers of the *ferias* so that they may discuss their accomplishments and problems.

7. If it is not possible to build a sheltered market place, it is mandatory that the office which controls the *feria* rent to the producers special equipment, for example wooden platforms. With the equipment in the city, producers will pay less for transporting their agricultural goods to the *feria*. There could be a participation fee that includes the rental of wooden platforms and other basic equipment.

8. Another recommendation is to conduct periodic evaluations. In addition, it will be necessary to hire personnel to collect data for further research to determine the level of success of the *ferias* and to identify their problems.

## REFERENCES



## REFERENCES

- A.I.D. (1982). Costa Rica country environmental profile. Tropical Science Center. San José, Costa Rica.
- Bartra, Roger (1974). Estructura agraria y clases sociales en México. Editorial Era, México.
- Beals, Ralph (1975). The peasant marketing system of Oaxaca. University of California Press, San José, California.
- B.I.D. (1983). Comercialización interna de alimentos: problemas y prioridades. Quito, Ecuador.
- Bromley, J.R and. Symansky, Richard O. (1974). "From calvary to white elephant: A Colombian case of urban renewal and marketing reform". Development and Change. Vol.12, pp.77-120.
- Bromley, J.R and. Symansky Richard O. (1975) "The rationale of periodic markets". Annals of the Association of American Geographers. Vol. 65, pp. 530-37.
- Calderón, Fernando (1984). Una gran feria campesina en la ciudad de Cochabamba. Centro de Estudios de la Realidad Económica. Ciudad de México.
- Centeno García, José (1980). "Comercialización de algunos productos agrícolas en la feria de Alajuela". Tesis UCR en economía agrícola. San José, Costa Rica.
- CEPAL (Consejo Económico para el Desarrollo de América Latina) (1982). Economía campesina y agricultura empresarial. México, Siglo XXI.
- CEPAL (1984). La agricultura campesina y el mercado de alimentos: La dependencia externa y sus efectos en una economía abierta. Publicación de las Naciones Unidas. Santiago de Chile.
- Costa Rica (1984). Estatutos y reglas de oficinas de gobierno. Imprenta Nacional; San José.

- Costa Rica (1984). Regulaciones del programa ferias del agricultor. MAG; San José, Costa Rica.
- Covarrubias, Carlos (1984). "Estudio sobre la comercialización de cultivos hortícolas al nivel del productor en la IV region de Chile". Commercialización interna de los alimentos en América Latina: Problemas, productos y políticas. Ponencia presentada al seminario internacional realizado en el Centro Internacional de Agricultura Tropical. CATIE, Cali, Colombia.
- Dalton, George (1974). "How exactly are peasants exploited?". In American Antropologist, vol. 76, 553-561
- Del Campo, Antonio (1979). "Transformación agraria y nuevas opciones para el desarrollo". Panoramas y Perspectivas de la Economía Mexicana. Memorias del coloquio sobre economía mexicana. El colegio de México; México.
- DGES (1984). Censo Agropecuario y de Población. Dirección General de Estadística y Censos; San José, Costa Rica.
- Esculies, Oscar and Navarro, Luis (1985). El pequeño agricultor y la comercialización de sus hortalizas y raíces tropicales: casos de Nicaragua y Costa Rica. Published by CATIE, Turrialba, Costa Rica.
- Esculies, Oscar (1977). Comercialización de Alimentos: quienes ganan, quienes pagan, quienes pierden. Centro de Estudios y Promoción del Desarrollo. Lima, Perú.
- Estrada, Numa (1981). Evaluación general del sistema de ferias del agricultor. MAG, no publicado.
- FAO (1957). Marketing, Fruit and Vegetables. Rome.
- FAO (1973). Development of food marketing systems for large urban areas in Latin America. Rome.
- FAO (1982). Como organizar sistemas urbanos en mercadeo de alimentos para el desarrollo rural. Roma.
- FAO (1983). El intermediario comercial privado y el desarrollo rural. Roma.

- Forero y Rudas (1984). "La comercialización de Perecederos: Características de la intermediación rural-urbana y su incidencia en la formación del precio del mercado". Commercialización interna de los alimentos en América Latina: Problemas, productos y políticas. Memoria del seminario internacional realizado en el Centro Internacional de Agricultura Tropical. Cali, Colombia.
- Frigerio, N. (1977). El mejoramiento de los sistemas de distribución de alimentos. IICA. San José, Costa Rica.
- Gabuardi, Carlos (1975). El sector agrícola y el desarrollo económico en Centroamérica, SIECA, edición INTA/IICA, Guatemala.
- González C., Lizano E., and Voguel R (1970). Mercadeo Agropecuario en Costa Rica. Universidad de Costa Rica, Instituto de Investigaciones en Ciencias Económicas. San José, Costa Rica.
- Haag, Herman (1979). El mercadeo de los productos agropecuarios en México. Editorial Limusa. México
- Hall, Carolyn (1985). Costa Rica, a geographical interpretation in historical perspective. Westview Press; Boulder, Colorado.
- Harrison, Kelly, Donald Henley, Harold Riley and James Shaffer (1977). "Improving food marketing systems in developing countries: Experiences from Latin America. Research report # 6, Latin American Studies Center. Michigan State University, East Lansing, Michigan.
- Hernandez, Mario (1981). "Evaluación socioeconómica de la feria del agricultor de San Vito, cantón de Coto Brus, provincia de Puntarenas, Costa Rica". Tesis de la facultad de Agronomía de la escuela de Economía Agrícola. San José, Costa Rica.
- IFAM (Instituto de Fomento Y Asesoría Municipal) (1986). "El IFAM y los mercados minoristas en Costa Rica". Guía Agropecuaria de Costa Rica. Ediciones agropecuarias; año 4, # 8, julio-diciembre.

- I.I.C.A. (Instituto Interamericano de Ciencias Agrícolas) (1976). Mejoramiento de los sistemas de comercialización de alimentos en los países en desarrollo. Experiencias en América Latina. San San José, Costa Rica.
- Krants, Lasse (1979). Marketing, brokerage and stratification in peasant societies: A case from Central Mexico. Institute of Latin American Studies. Stockholm, Sweden.
- Kriesberg, M (1974). Mejoramiento de los sistemas de comercialización en los países en desarrollo: Un enfoque para la identificación de problemas y el fortalecimiento de la asistencia técnica. IICA; San José, Costa Rica.
- La Gaceta (1984). Decreto #12998-A Reglamento a las ferias del agricultor. Diciembre 1984. San José, Costa Rica.
- La Nación (1990). Suplemento Agropecuario. 15 de mayo de 1990. San José, Costa Rica.
- López, Luis (1982). Agricultura y alimentación. Evolución y transformaciones mas recientes. Revista de la CEPAL, #16, abril, Santiago.
- M.A.G. (1981, 1982, 1984, 1986). Reportes Anuales. Oficina de ferias del agricultor.
- M.A.G. (1989). Comportamiento de precios y volúmenes, feria del agricultor-San Isidro. Unidad de Economía Agropecuaria; San José, Costa Rica.
- MEIC (1986). Ley the protección al consumidor. MEIC; San José.
- Mendoza, Gilberto (1980). Compendio de Mercadeo de Productos Agropecuarios. Instituto Interamericano de Ciencias Agrícolas; San José, Costa Rica.
- Miño, Wilson (1986). Comercialización agropecuaria en el Ecuador. FLACSO-ILDIS. Quito, Ecuador.
- Miranda, Miriam (1986). "Mercadeo de productos agropecuarios in San Isidro de Pérez Zeledón", Cuaderno de Estudios Generales; Heredia.

- Montemayor, Aurelio (1983). "La comercialización de alimentos en México" en Panorama y perspectivas de la economía mejicana, México, el colegio de México.
- Mortenson, W.P. (1966). Modern marketing of farm products. The Interstate Printers & Publishers, Inc., Danville, Illinois.
- Ortega, Emiliano (1982). "La agricultura campesina en América Latina. Situaciones y tendencias", en revista de la CEPAL, # 16, abril, Santiago.
- Prodesarrollo (1984). Las ferias del agricultor. Prodesarrollo, no publicado; San José, Costa Rica.
- Reed, Vergil (1980). The Farm Market, Thompson Co., New York.
- Sanarrusia, Ernesto (1986). Estudio analítico suscito sobre irregularidades en ferias del agricultor. MAG, no publicado; San José.
- Shepherd, Geoffrey (1982). Marketing Farm Products; the Iowa State University Press, Iowa.
- Shwedel, Kenneth (1977). Marketing problems of small farm agriculture: A case of study of the Costa Rica potato marketing. Ph.D. Dissertation, Michigan State University. University Microfilms International, Ann Arbor, Michigan.
- Slater, Charles (1969). Market process in the Recife area of Northeast Brazil. Research Report #2; Latin American Studies Center. Michigan State University.
- Smith, Robert and Alan Hay (1969). "A theory of the spatial structure of internal trade in undeveloped countries". Geographical Analysis, Vol. 6, pp.121-36.
- Smith, Vernon (1974-75). "Marketing Agricultural Commodities in Pichincha Province, Ecuador". Geographical Review, Vol.64-65.

- Stadel, Cristoph and Moya, Alba (1988). "Plazas and ferias of Ambato, Ecuador", Conference of Latin Americanist Geographers, Year Book, Vol.14, pp.43-50.
- Symaski, Richard O. (1973). "God, food and consumers in periodic market systems". Proceedings of the Association of American Geographers, Vol. 5, pp. 262-266.
- Universidad de Carolina del Norte (1977). Breve resumen preliminar de características socio-agro-económicas de la población campesina y aspectos de comercialización agrícola: Cantón Montufar, Carchí; y Pastocall-Tanicuchi, cantón Latacunga, Cotopaxi, Chapel Hill.
- Valverde, Carmen (1987). "Ferias del agricultor: Solución para una economía en el hogar". Guía Agropecuaria de Costa Rica. Ediciones agropecuarias. Año 5, #9, enero-junio.
- Vedova y Cordero (1984). "Nuevas experiencias en la comercialización de alimentos: El caso de las ferias del agricultor en Costa Rica". Comercialización interna de los alimentos en América Latina: Problemas, productos y políticas. Ponencia presentada al seminario internacional realizado en el Centro Internacional de Agricultura Tropical. Cali, Colombia.
- Vermeer, Rene (1990). El cambio en la agricultura: El caso de los granos básicos durante la administración Arias. Editorial CENAP. San José, Costa Rica.
- Villalobos, Arturo (1983). Mercadeo agropecuario. EUNED, San José, Costa Rica.
- Villasuso J.M. (1982). Estudio sobre la comercialización interna de alimentos en Costa Rica. Banco Interamericano de Desarrollo. San José, Costa Rica.

APPENDICES

APPENDIX A  
QUESTIONNAIRES ADMINISTERED TO PRODUCERS  
AND GOVERNMENT OFFICIALS





8. What class of credit?  
 ..... Special credit to farmers  
 ..... General credit
9. How do you transport products to the *feria*?  
 ..... Own a vehicle  
 ..... Rent a vehicle  
 ..... Bus  
 ..... Other
10. How much money do you pay for transporting products to the *feria*? .....
11. How are sale prices established? .....  
 .....  
 .....
12. Do you sell your produce only at this *feria*?  
 Yes..... No.....
13. Can you buy products from your neighbor and sell them here?  
 Yes..... No.....
14. How long have you been attending this *feria*?  
 Years..... Months.....
15. You sell:  
 Alone.....  
 With the family.....  
 With an employee.....  
 Other .....
16. Does the government advise you about tastes and consumer

preferences?

Yes.....

No.....

17. Can You lose your right of selling at the *feria*?

Yes.....

No.....

18. Please, could you tell me the three most important advantages of the *feria*?

19. Could you tell me the three most important disadvantages of selling at the *feria*?

QUESTIONNAIRE FOR GOVERNMENT AUTHORITIES

1. Name of the *feria* .....
2. What is your position? .....
3. Which are your functions?
  
4. How many farmers attend this *feria* weekly? .....
5. What other agencies deal with the *feria*?.....  
.....
6. What is required of those who sell at the *feria*?
  
7. How do you ensure that only producers sell at the *feria*?
  
8. Do you think that any middlemen attend the *feria*?  
Yes ..... No.....
9. How much money must farmers pay to be able to sell at the  
*feria*?.....
10. How are farmers organized at the *feria*?

11. What services does the *feria* offer to farmers?
12. Do farmers receive any advice from extension agents?  
 Yes ..... No.....  
 Which? .....
13. Why are *ferias* always on weekends?
14. How are prices determined?
15. Do you know how farmers transport their produce?  
 Yes..... No.....  
 How .....  
 .....
16. Are there surplus products after the *feria*  
 Yes ..... No.....
17. What mechanisms are established to control and regulate:  
 Quantities.....  
 Quality.....  
 Hygiene.....  
 Use of chemicals.....
18. Do you believe that *ferias* fulfill their objectives?  
 Yes ..... No.....  
 Why?.....

19. Have you evaluated the *feria*?

Yes.....

No.....

How often?.....

20. What are the major advantages of the *feria* program?

21. What are the principal problems of the *feria*.

APPENDIX B  
POSITION OF GOVERNMENT OFFICIALS INTERVIEWED

POSITIONS OF GOVERNMENT OFFICIALS INTERVIEWED

1. Head of Unit of *Ferias* Office. MAG.
2. Head of Marketing of Farm Products. MAG.
3. Assistant of Marketing of Farm Products. MAG.
4. Head of Price Control Office. MEIC
5. Assistant of Price Control Office. MEIC, San Isidro
6. Assistant of Unit of *Ferias* Office. MAG
7. Administrator, *Ferias* of Zapote and Plaza Viquez
8. Administrator, *Feria* of Desamparados
9. Administrator, *Feria* of San Isidro
10. Assistant of San Isidro *Feria*



APPENDIX C  
PRODUCTS SOLD AT THE FERIAS IN OCTOBER 1990

PRODUCTS SOLD AT THE FERIAS IN OCTOBER 1990

<u>English Name</u>	<u>Spanish Name</u>
Achiote	Achiote
Asparagus	Esparrago
Avocado	Aguacate; palto
Banana (common)	Banano
Banana	Guineo
Bean, Adzuky	Judia
Beans (black)	Frijol negro
Beans (red)	Frijol rojo
Beet	Remolacha
Broccoli	Brecol
Brussel's Sprouts	Col de Bruselas
Byrsomina	Nance
Cabbage	Repollo
Carambola	Carambola
Carrots	Zanahoria
Cassava	Yuca; mandioca
Cauliflower	Coliflor
Celery	Apio
Chayote	Chayote
Chickpea	Garbanzo
Coleous	Oregano de Castilla
Coriander	Cilantro, culantro

Corn	Maiz
Corn Marigol	Espinaca China
Cowpeas	Frijol de Ojo
Cucumber	Pepino
Cushaw (Pumpkin)	Calabaza, Ayote
Custardapple	Anona
Dandelion	Diente de Leon
Eggplant	Berenjena
Garlic	Ajo
Ginger	Jengibre
Grapefruit	Toronja
Guava	Guayaba
Green Onions	Cebolla tierna
Hawthorn	Manzanilla
Heart of Palm	Palmito
Horse-Radish	Rabano Picante
Leek	Puerro
Lemon	Limon
Lettuce	Lechuga
Lychee	Mamoncillo Chino
Mango	Mango
Marmalade Fruit	Mamey Zapote
Canteloupe	Melon
Mombin	Jocote
Mustard Greens	Mostaza
Nance	Nance

Orange	Naranja
Tangerine	Mandarina
Mandarin Sour	Naranja Agria
Papaya	Papaya
Parsley	Perejil
Passion Fruit	Maracuya
Pea	Arvejas
Peach	Durazno, Melocoton
Peach Palm	Pelibaye
Pepper (sweet)	Chile Dulce
Pepper (Cayenne)	Chile Picante
Pepper (Jalapeño)	Chile Jalapeño
Peruvian Parsnip	Arracache
Pineapple	Piña
Plantain	Plátano
Potato	Papa
Radish	Rabano
Raspberry	Mora
Sapote (Yellow)	Zapote Amarillo
Soursop	Guanabana
Spinach	Espinaca
Squash	Calabaza, ayote tierno
Sweet Granadilla	Granadilla Dulce
Sweet Potato	Camote, Batata
Tamarind	Tamarindo
Taro	Name

Tomato

Tomato (cherry)

Watermelon

Yams

Yams (Chinese)

Yams (Yellow)

Tomate

Miltomate

Sandia, Patilla

Nampi

Name de China

Name amarillo

**VITA**

## VITA

Miriam Miranda was born in Orotina, Costa Rica, on February 7, 1953. She attended elementary school in the city of San José and graduated from The San José Secondary School in November, 1969. In March, 1970, she entered National University and in February, 1974, she graduated as a high school teacher in social science.

In March, 1974, she started working at UNESCO High School in San Isidro, 136 Km southwest of San José, the capital of the country. While she was teaching social science, she continued studying, and in 1976 received a Bachelor's degree in Geography and in 1978 received her Licenciature.

In 1978, she began working at the National University as a geography professor, until 1988, when she received a Fulbright scholarship to pursue a Master's degree. She studied English at Pittsburgh University for six months, and then she arrived in Knoxville to start her Master's degree program at the University of Tennessee. She acquired the Master of Science degree, with a major in geography in May, 1991.