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**Marketing in Southern Ghana:  
towards a planning typology**

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## 1. The importance of marketing structures

There are a number of strong historical and practical grounds for a regional planner operating in Southern Ghana to study marketing structures. The recent history of the area confirms an important axiom of regional theory, namely that the organisation of marketing has a considerable influence on the pattern of settlement that emerges in a given region. It is true that by 1970 the spatial structure of the Central Region was being influenced far more by the marketing of local foodstuffs than by the cocoa marketing and distribution of imported goods that had dominated the earlier periods. The commodities involved had changed, but the overall importance of marketing as an organising principle could not be questioned.

Beyond this, however, there were also by 1970 more pressing reasons why the planner should turn his attention to problems of marketing. These were particularly related to government policy. Ghana had inherited a firm infrastructural base from the colonial period which enabled the first independent government of Nkrumah to shift the emphasis of its policy away from infrastructural and towards more productive forms of investment.<sup>1</sup> Moreover, the successive plans and policies that were published over the next thirteen years were to obtain an increasing rural emphasis.<sup>2</sup> With over 60 percent of the nation's population employed in agriculture and with the economy's dependence on cocoa, it was almost inevitable that agriculture would have to play an important role in Ghanaian development,<sup>3</sup> and indeed this role had long been recognised.<sup>4</sup> Yet it was only in the late 1960s that rural development began to assume a wider strategic function in government policy.

Agricultural production continued to be seen in what was, for Ghana, its traditional economic context.<sup>5</sup> Cocoa remained the main foreign exchange earner and increased food production was seen as a means of making available additional foreign exchange earnings through import substitutions. However, by the late 1960s a number of internal political factors were also taking effect. Increasing urban demand and an apparently complex and inefficient distribution system for local foodstuffs were believed to be creating high urban food prices that effected politically important urban groups. Under the National Liberation Council (N.L.C.) planners, like other urban groups, were urged to produce at least part of their own food requirements. An attempt was made to induce the better-paid and better-educated members of Ghanaian society to establish their own farms, or at least their own garden plots for the production of foodstuffs.<sup>6</sup> The following year this policy was broadened further by the Busia government which received support from both urban and rural groups.<sup>7</sup> Its programme not only echoed the problem of rising food prices, but stressed the need for increasing foodstuffs production as a means of alleviating rural poverty and of lowering the rate of out-migration from rural areas to the large urban centres.<sup>8</sup> In political terms this was a policy that aimed to satisfy both groups. Thus although in practice many of the immediate pressures on the government seemed to come from urban sources, its response was at least phrased in the broader - and by that time more fashionable - context of rural development. Throughout 1970 its 'rural' strategy was stressed persistently as holding the key to urban problems.

This rural emphasis was as relevant to the Central Region of Ghana as it was elsewhere. Three quarters of the region's total population of approximately 800,000 lived in rural areas, and trade or local crafts posed the only real alternatives to agricultural employment for most

of these people.<sup>9</sup> The regional economy had faltered following the closure of the surf ports in 1962 and neither the construction of the coast road nor the expanding educational functions of Cape Coast and Winneba could enable these towns to approach their former importance. Nor could proposals to create a small manufacturing base in such towns hope to revive the economy of their hinterlands in the near future. A policy of rural development was therefore one that held an immediate local appeal.

This support was at least partly because of the electoral success of Busia's Progress Party. All fifteen constituencies in the Central Region elected Progress Party candidates to parliament in the 1969 elections, and in most cases with a considerable majority.<sup>10</sup> A highly organised party machine was gradually assembled throughout the region, and the dissemination of government information and policy became fairly widespread.

It was consequently of somewhat less importance that this increasingly rural emphasis in formal policy was not reflected in the pattern of government investment or that many of the principal measures that were introduced seemed on more careful analysis to be of more benefit to urban than to rural groups.<sup>11</sup> By mid-1970 considerable local interest and awareness of the policy of rural development had been created and in practice the latter represented one of the main guidelines for regional planning.<sup>12</sup>

In the Central Region various planners were confronted with the task of translating this general policy into a series of specific investment programmes. These programmes were as usual prepared and implemented by the regional offices of the various central ministries, the production of foodstuffs falling in the domain of the Ministry of Agriculture, the extension of feeder roads to the Public Works Department and so on. It fell to the Regional Planning Office to try to establish some degree of coordination in these independent programmes through discussions with the various regional offices of these departments. For this, however, its powers were extremely limited. Both the size of the Regional Planning Office and its influence on the allocation of finances were far too inadequate for it to be really effective.<sup>13</sup>

This was reflected in the planners' approach to regional problems. In their ideas concerning a development strategy the regional planners were preoccupied with the need to establish a more efficient distribution of service centres.<sup>14</sup> Their main concern was with the location and construction of health posts, bore holes and primary schools in which they had a somewhat greater say. Clearly, however, as marketing was one of the most dynamic factors influencing the spatial structure of the region it had to find a more explicit place in their overall strategy if the latter was to provide a framework for use in coordinating various sectoral investment policies. The organisation of foodstuff marketing was generally considered an important issue, but it was one which fell across the responsibilities of the Ministry of Agriculture, the Department of Public Works and, to some extent, the Department of Cooperatives. It therefore warranted particular attention from the regional planner, representing as it did an area in which he could begin to play a significant coordinating role.

However, even though the distribution system for local foodstuffs was generally believed to be inefficient, there appeared to be no general agreement amongst the officials working in different regional offices as to what exactly constituted 'the marketing problem'. No reliable

information was available on either the basic marketing structure or on the types of trader that were operating within it. Without this information it was impossible to assess whether the marketing system was in fact 'inefficient' or whether the production of foodstuffs was simply lagging behind urban demand.<sup>15</sup> If the system was inefficient it was certainly not clear where the real bottlenecks lay. Some officials maintained that the transportation system was inadequate while others believed that the system of intermediaries was the main obstacle. For the regional planner it was tempting to interpret each of these views in a spatial context and to argue that because the basic elements of the region's structure were the old port hinterlands its marketing structure was likely to be dendritic in nature. He was inclined - as were the other officials - to think that the answer lay in his domain, and that the marketing problem would not really be solved without basic changes in the spatial structure of the region. In reality, however, none of these views could be substantiated: no meaningful policy could be developed because the initial problem could not be adequately defined.

There was therefore a serious need for a reliable analysis of the regional marketing system with which these various planners could begin to piece together the information that was available and to define their problem more accurately. Yet even this was a formidable task. It was hampered in particular by the absence, let alone consistent use, of any common typology of markets or marketwomen among those who were working on marketing problems. It was clear that there were different kinds of markets and different kinds of traders operating in the regional marketing system, but while these differences were only vaguely defined they were not easily used in constructing a valid typology from the existing data. Moreover, although throughout this period increasing study was being devoted in academic circles to the analysis of Ghanaian, and more generally of West African markets, the approach and conclusions of these studies were generally ill-suited to the planners' needs. There was an initial need in the Central Region for a certain amount of basic research to be undertaken into the organisation of foodstuffs marketing.

This paper is intended to set the stage in this respect, looking at various problems of classification and attempting to identify the main groups to which a regional marketing policy could be directed. Section 2 will consider various types of market classification in the light of the problems that have just been described while section 3 will look further into the classification of traders. An attempt will then be made to identify the main trading groups operating in the Central Region based on these discussions and, in a final section, to begin to relate them to other groups in Ghanaian society.

The aim of this paper is therefore strictly limited. It is primarily definitional. No attempt will be made to account for the origins or location of individual markets within the region, or to elaborate the definite social functions that they perform in regional and local society. These are significant issues, but they are considered to be less relevant given the narrower objectives of the present study. As there is no evidence to suggest that the patterns of traditional authority are important in the way trade operates on a regional level this aspect is also excluded. I am concerned here with some basic problems of classification and with marketing structures as one element of a developmental framework for the Central Region.

## 2. Types of market classification

It should be clear from the preceding section that some basic classification was needed that could be used in analysing the marketing structure of the Central Region from a policy point of view. Yet at the outset it was by no means certain what precisely was required of such a classification. As the government policy showed a strong welfare bias in favour of the rural areas conventional policies to increase the flow of foodstuffs through the marketing system might not be sufficient. Indeed reinforcing the market structure of port hinterlands which - like those in the Central Region - had traditionally been dominated by traders from the port towns would not necessarily be desirable. A planning classification would therefore not only have to indicate the most important elements of market organisation, but also to provide a basis on which to assess the efficiency or desirability of the structure as a whole. It must be stressed that the types of classification to be examined in this section were not intended to meet such specific needs. They are presented and discussed here for the considerable light that they throw on various aspects of Ghanaian market structures, and in order to clarify further which aspects must be taken into account in a planning classification.

This brief survey will begin with the classification utilised by Ghanaian authorities. Since the early war years basic information has been collected in Southern Ghana concerning the prices and availability of certain commodities in local markets.<sup>16</sup> In the course of this work a distinction was drawn between 'rural' (origin) and 'urban' (destination) markets based primarily upon the population of the settlement in which the market took place.<sup>17</sup> At the national level where this data was analysed this was a meaningful distinction. Large urban markets such as those in Accra, Kumasi, Takoradi and Cape Coast were, and still are very different in size and nature from the majority of rural markets. At the regional and local levels, however, these distinctions are less adequate. It remains relevant to differentiate between rural supply markets and the main centres of urban demand, but the population of a settlement is scarcely an adequate criterion on which to base such a classification. In the Central Region, for example, there are large and important markets in relatively small settlements and what seem to be typically rural markets located in relatively large centres.<sup>18</sup> More precise criteria are therefore needed in order to take into account these variations.

Three kinds of typologies of marketing structures have been suggested of a more analytical nature, and these take market hierarchies, periodicity and the relative importance of various market functions as their respective criteria of classification. Although they have been developed for academic rather than for planning purposes they view market structures from three very different angles, each of which is relevant to this discussion. These approaches will therefore be considered briefly in turn.

The classification of markets in terms of their hierarchical position has been used by Skinner<sup>19</sup> and more recently by McKim,<sup>20</sup> and has mainly been derived from the theory of central places. Authors who adopt this approach generally assume that the size and functions of a market and the extent of its hinterland are key variables for an understanding of the marketing system. The classification of markets is therefore approached on the basis of criteria such as the diversity of goods offered

for sale, the volume of market turnover, numerical attendance at the market or the size and nature of the area that it serves.<sup>21</sup>

At first sight this approach is attractive to the planner because it implies the distinction of different systems levels. It also warrants careful consideration in that central place theory has had a considerable influence on regional planning thought in Ghana.<sup>22</sup> However, it is important to note that these authors were dealing with relatively stable societies which is not the case in Southern Ghana where the European commercial system was superimposed over an existing traditional structure. As a result of this the distribution and relative importance of foodstuff markets often shows little relation at all to the distribution, size or importance of urban centres because the latter were created by a different economic system.<sup>23</sup> In the Central Region, for example, the main wholesale market which is by far the largest market in the region is not located in an urban centre. Moreover, although certain commodities are channelled via this market others move direct to the main urban centres. On the other hand, markets in areas of specialised food production that are normally no more than local retail markets can on occasions swell to quite considerable size during certain harvest months, and an important part of their produce may be shipped directly to markets in other regions. This may of course reflect a transitional phase in the development of marketing in the Central Region and a clearer hierarchy may in time emerge. Even so it cannot automatically be assumed that central place theory is really relevant in these conditions. Market structures of this kind are, nevertheless, frequently described as hierarchies without question as to whether or not hierarchic relations represent an important aspect of market organisation. In such cases it would seem far more appropriate to begin analysing market structures allowing for the possibility that more flexible organisational forms may occur, and to try to distinguish systems levels at a later stage of the analysis.

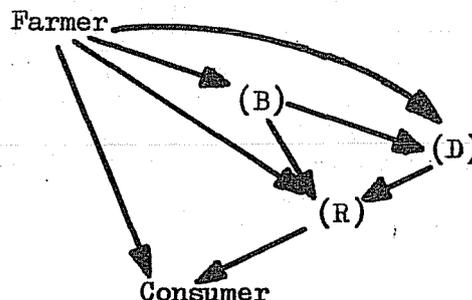
A second classifying principle that has been used has been the frequency at which markets are held. Hill,<sup>24</sup> Bromley<sup>25</sup> and Hodder<sup>26</sup> have stressed the distinction between daily and periodic markets as a significant classificatory principle. Daily markets are seen as being retail distribution centres for large urban settlements, while periodic markets perform bulking and distribution functions for a much wider area.

The most interesting element of this approach is, from a planning point of view, the insight that it can give into patterns of change. It has been suggested, for example, that there is a process of development from a periodic to a daily market, the former characterising developing and the latter more advanced economies. Skinner<sup>27</sup> and Fagerlund and Smith<sup>28</sup> maintain that with increases in population density and per capita income first the size of the market and then the frequency of market days tends to increase until permanent daily markets emerge. This process can be seen to have occurred historically in parts of the Central Region, and to have been closely associated with the expansion of cocoa production and with the improvements in accessibility that I have described in an earlier paper.<sup>29</sup> Looking at the development of marketing in Brazil, Forman and Riegelhaupt have also noted a process of specialisation associated with this shift from periodic to daily markets in the course of which there tends to be a shortening of the marketing chain as large urban wholesalers bypass local middlemen by dealing directly with the producers.<sup>30</sup>

These processes are clearly very relevant to our planning problem. However, the history of the Central Region shows that the patterns of change that have been described were associated there with the expansion of an existing spatial and commercial structure, namely the port hinterlands. If these market structures are essentially dendritic in nature an intensification and expansion of the system cannot necessarily be considered such a useful indicator of development or such a useful guideline for planning. Moreover there is also too little variation in most areas for periodicity in itself to provide anything more than a very general classification of the markets within a region. In the Central Region, for example, the main urban centres have daily markets while all other markets of regional importance are bi-weekly.<sup>31</sup> Furthermore the vast majority of these bi-weekly markets are held on the same days of the week, namely tuesdays and fridays. Among them can be found local markets that are bulking points, the main regional wholesale market and even small retail markets; some are highly specialised dealing mainly with one crop while others are more general markets. Finally, the changes in status from a periodic to a daily market and vice versa that have taken place in the region have been gradual and they have been infrequent. Thus even if the marketing structure is found to be less dendritic or is considered desirable it is difficult, without a more specific typology, to begin to identify possible shifts from one class to another. Indeed it has also been argued that the process of development from markets to shops could warrant almost equal importance.<sup>32</sup>

In each of the classifications that have been described so far the different types of markets that are identified perform different functions. A further type of classification takes the kinds of market operations carried out as its specific criterion. Smith and Hay<sup>33</sup> have distinguished between bulking, distribution and local exchange as three important functions in the marketing system of developing countries, and Bromley<sup>34</sup> has proposed that the relative importance of these functions in a given market be used as classifying criteria.

This type of analysis seems particularly useful for the regional planner in that a classification of primarily bulking (B), primarily distributing (D) and primarily retail markets (R) could provide the elements for analysing a regional marketing system. By far the majority of markets in the Central Region would seem at first sight to fit into one or other of these three ideal types. The flows of produce that make up the marketing system might therefore be analysed in terms of a number of alternative marketing routes:<sup>35</sup>



Models of this kind take no account of the marketing chains associated with different commodities and they are therefore highly abstract, but they illustrate some of the possibilities that are opened up by this

kind of approach. Moreover, this type of analysis can also be related to the pattern of market days. Most of the local bulking markets in the Central Region are held on tuesdays and fridays and serve the main wholesale market, Mankessim, which meets on wednesday and saturdays. Middlewomen collect produce in local markets - often employing agents to buy for them along a route and later collecting from them by lorry - and convey it to Mankessim for sale there the following day. On the other hand, where the population and production of the area warrants more regular outlets, other local markets may be set up in neighbouring settlements on different days of the week, such as Mondays and thursdays. In this case the produce is generally taken direct to an urban retail market. The periodicity of markets in the region can therefore to some extent be taken into account within the context of this kind of analysis.

However, particularly with markets that link different systems levels, it is quite likely that markets will perform more than one function. A well-located regional market, for example, may be a bulking market for regional exports, a distribution market for imports as well as performing certain localised retail functions. There remains therefore a need to elaborate this classification to take account of various combinations of functions. However, in the course of this elaboration the classification also becomes more complex, and thus loses part of its immediate attractiveness. Moreover, at some stage different systems levels have to be distinguished more clearly even if certain aspects of the concept of hierarchy are open to question.

Thus although the various approaches that have been considered provide a valuable background to the discussion of planning needs, none of them is as such entirely adequate for planning purposes. An attempt had therefore to be made to spell out some of the main requirements from a planning point of view, and to construct a classification to meet them.

One of the main characteristics of a planning approach is that it must take account not only of technical but of political criteria. As was argued at the beginning of this section the planner has not only to describe a regional marketing structure but to assess it and, where necessary, to try to direct it into more desirable directions. But his assessment of the situation is not only a technical matter concerned with how efficiently the marketing system is itself organised, it must reflect the role that policy makers want it to play in Ghanaian society. Given certain policy objectives the desirability of the existing market structure must be assessed in terms of the benefits accruing to different groups.

A second requirement that follows from this is that a classification that is intended for planning purposes should take account of how various groups participate in the marketing process. Planning policies are after-all addressed to groups. A meaningful policy must be a mixture of incentives and controls to which different groups will react in different - but predictable - ways. To produce a desired result the planner must therefore at least know which groups are involved and what interests each of them has at stake.

Of the various approaches that have been discussed above the use of functional criteria was almost certainly the most promising from a planning point of view. However, this approach could clearly refer to group functions as well as to market functions. Indeed it could be argued that the functions of West African markets are in practice best

analysed in terms of the proportion of different types of traders (be they farmers, wholesalers or retailers) that are found to be operating within them. An attempt will therefore be made in the following sections to identify the main trading groups operating in the Central Region based on the various functions that they perform.

A third requirement that is important from a technical point of view concerns the types of function that are taken into account. These should be sufficiently specific to be related to the main areas of planning responsibility within the region. It would be difficult, for example, using any of the approaches that have been discussed so far to obtain guidelines for agricultural or transport policy. Yet the main policy instruments available with which to influence a marketing system often lie in one or other of these two fields. It is necessary therefore to ensure that the main lines of any market analysis contain elements that can be influenced by planning. Finally, there also remains the need to distinguish between systems levels, and to differentiate between those marketing problems that are of national, regional or merely local importance.<sup>36</sup>

In the following sections attention will therefore be devoted to a functional classification of traders based as far as possible on these general requirements, and an attempt will be made to identify the main trading groups operating in the Central Region. In that periodicity is closely related to the functions that these groups perform this aspect will also be taken into account.

### 3. Market functions as criteria for the classification of traders

In the first quarter of 1971 preliminary fieldwork was carried out on the organisation of local foodstuff marketing in Southern Ghana. The information that was gained from this work indicated quite clearly that the regional marketing system was structured by wholesalers, and that retailers in the conventional sense could be considered as being involved in local rather than in regional activities. The kinds of wholesalers operating in a market seemed the best criterion for distinguishing between markets of interregional, regional or purely local importance.

The question remained, however, as to how these wholesalers should be defined. Hill has shown that in the West African context there are important differences between the traders that would normally be thrown together under the everyday definition of a wholesaler as one who buys in bulk and sells to retailers.<sup>37</sup> She has made a distinction, for example, between collecting-wholesalers who go out to buy produce from farmers in rural bulking markets, distributing-wholesalers who receive supplies and then distribute a large proportion of them to other sellers at the same market, and farmer-wholesalers who store their produce until they can market it in bulk.<sup>38</sup> Smith and Hay have also identified different kinds of intermediary, distinguishing between forestallers, itinerant traders and urban wholesalers.<sup>39</sup> Forestallers are described as traders who station themselves on strategic routes between farm and market, buy produce from farmers in small lots, and then transport it (by headload or occasionally by lorry) to a periodic market for sale either to consumers or to specialised itinerant traders. The latter are seen to carry out a further bulking process and to transport their produce by lorry for sale to urban wholesalers. In addition to their obvious distribution function in supplying retailers, these urban wholesalers are also seen as performing important storage functions as part of their trading activities. Nyanteng and Van Apeldoorn have suggested yet another classification, dividing the traders

in their study area into seven categories.<sup>40</sup> The most important of these appear to be the local buyers who live in the village or in the nearest market centre and thus offer the farmer a very accessible outlet for his marketable crops; visiting wholesalers who are not resident in the area but come there to collect produce, and who operate with the aid of agents who either pass on information about the supply in various areas or buy produce on a commission basis; a fourth important group are traders who bring non-local foodstuffs.<sup>41</sup>

It is clear from these three typologies that there are very important functional differences among the wholesale traders that are operating in West African markets. The various types of traders that they describe should also seem fairly familiar in the light of the previous discussion. On the other hand, however, these typologies are not really complementary, nor is the list as a whole necessarily complete. It would therefore be dangerous to try to construct a classification system around these typologies lest certain types of traders that could be important in the context of a given region are simply overlooked. It is safer to advocate a more systematic and empirically based approach to the problems of a given region.

In section 2 it was argued that classification should be based on the activities that a trader performs. If the various examples that have been described are therefore examined from a functional point of view it would seem reasonable to suggest that 'a wholesaler' could be a person who performs any combination of four functions. She may collect produce, buying it at outlying farms and markets, and transport it to the place where she intends to sell it; there she will distribute the produce, but she may also store it for a period before doing so.

These four functions have obviously to be disaggregated if they are to account for the range of trading activities suggested by the earlier examples. The most useful distinctions in this respect seem to be between (1) traders who buy produce in outlying areas, as against those who buy at the market gate or who only sell their own produce; (2) traders who use different means of transport and (3) traders who serve different distribution outlets. Similar distinctions can be made on the storage function. However, the latter was found in practice to be very different from the other three because it tends firstly - and in the Central Region at least - to be associated more with certain commodities than with certain types of traders and because, secondly, where it is specific to certain types of traders it seems - as is the case with credit functions - to be more important as a means of control than as a basic classifying criterion. The storage function will therefore be laid aside for the purposes of this paper.<sup>42</sup>

The 'usefulness' of this differentiation of the remaining three functions depends of course on the extent to which they facilitate the planning needs that have been specified. For example, the combination of sub-functions that a trader performs needs to reflect not only her basic trading function but the extent of her specialisation in wholesale activities. The latter seems necessary for any analysis of different systems levels in the regional marketing structure. Secondly, it must enable the planner to focus on individual functions and to examine them in relation to particular areas of planning responsibility. For example, it should be possible for him to ask what observable differences there are between areas where wholesalers dominate as against those from which farmers bring their own produce direct to the main markets, or between areas where farmers make extensive use of lorry transport and those areas where they do not.

A general indication of the specialisation that is implied in the disaggregations that have been given can be seen in Table 1.

Table 1: Levels of Specialisation in Three Wholesale Functions

	<u>More specialised</u>	←————→	<u>Less specialised</u>
Function	(large scale or interregional)		(small scale or local)
<u>Collecting</u> <sup>43</sup>	Goes out to buy from others		Sells only her own produce
<u>Transport</u>	Owns or hires a lorry	Pays a fare on a lorry	Headloads her produce
<u>Distribution</u>	Sells only to institutions or wholesalers	Sells to wholesalers or retailers	Sells only to consumers

The varying degrees of specialisation are seen as reflecting not only the volume of trade involved in a given transaction, but certain aspects of a trader's business relations.

On the collecting function, for example, it is interesting to note the differences that exist between Hill's farmer-wholesaler who does not collect but stores her produce until she can sell it in bulk, the forestaller of Smith and Hay or the local buyer of Nyanteng and Van Apeldoorn who could be a farmer's wife buying her neighbours' produce and adding it to her own in order to reach the same kind of bulk unit on a more frequent basis, and Hill's collecting-wholesaler who only buys produce. These traders could be operating in roughly the same units, but they represent very different degrees of specialisation in wholesale activities. This is reflected not only in the importance of buying as against selling only one's own produce, but in the context in which purchases are made. If a farmer's wife decides to concentrate on her trading interests and, over a period of time, becomes a forestaller and then a collecting-wholesaler, she is likely to become increasingly dependent upon the reliability of her supplies. The more a trader specialises in wholesale functions therefore the more likelihood that she will try to regularise her business activities and to establish a number of agreements and standing arrangements with reliable suppliers.

She may also need to look for more regular transport facilities. In general collecting-wholesalers who hire or own their own lorries tend to be far more flexible than those who are forced to rely on public lorry services. The former are often in a position to enjoy the advantages of lorry ownership, and can in some instances establish a virtual monopoly of buying and selling along the less accessible routes even today. This is rarely possible using a public lorry service, and certainly not by headloading. In this context the distinction between collecting and transport functions is also significant because it brings the business relation between the trader and the lorry owner into clearer view. It forces the planner to consider not only the number and the routing of lorries in an area but the system of business arrangements that apply as possible bottlenecks in the marketing system. Traders who only headload produce are inevitably far less specialised and there are grounds for thinking that they might more accurately be described as farmers rather than as wholesalers. This point will be reconsidered later.

The extent to which a trader is specialised in wholesale activities is also reflected in the type of distribution outlet that she serves. The types of outlet mentioned in Table 1 have implications in terms of the volume of produce involved, the speed of turnover and, again, the types of business arrangements within which the sale takes place. Broadly speaking three types can be distinguished. Firstly there are sales to institutions such as boarding schools, colleges and hospitals that usually imply relatively large scale transactions and regular contracts. However, these sales normally represent only a small part of regional trade, and often the produce involved does not pass through the regular marketing system.<sup>44</sup> Secondly there are sales to wholesalers and retailers which again tend to be in relatively large units and which are generally - though not invariably - based on personal arrangements between buyer and seller. Interviews show that although producers are often reluctant to devote the time needed to retailing they tend to be indifferent as to whether they sell to wholesalers or retailers, provided they have a regular and reliable outlet for their produce. Thirdly there are sales to consumers which are usually in very small units in the free market.

It can be argued on all three functions, therefore, that the more specialised a trader is the more likely that she will operate within a framework of standing business arrangements. This network is extremely important for the regional planner, although it cannot be analysed without a better understanding of the types of traders that are involved.<sup>45</sup>

These three functions will now be used to construct a general classification of wholesalers. The latter is presented in Table 2. It must be stressed that, from a planning point of view, the strength of such a classification lies mainly in the fact that all combinations of sub-functions, and thus all types of traders, are described in it. In fact Table 2 contains what is already a somewhat simplified version, the various types of traders operating with hired or with their own lorries being condensed into two 'types'.<sup>46</sup> In practice it is unlikely that all the types that are theoretically possible will occur, let alone be equally important, in any one region, and some contraction will always prove possible. Indeed, if all these types were important the resultant classification would be far too cumbersome to be useful for planning purposes. Nevertheless it remains important at the outset to consider the full range of possibilities. In most cases insufficient data is likely to be available for the planner to be able to eliminate certain types in advance and field research will probably have to be undertaken in order to ascertain the main types operating in the region, and which either do not occur or have so little influence on marketing patterns that they can be safely excluded from subsequent studies.<sup>47</sup>

The order in which the various combinations of sub-functions have been arranged also warrants comment as it may differ from case to case. In constructing Table 2 these combinations were ranked in what, in the context of the Central Region, was believed to be an order of increasing specialisation from type IX to type I, with type X standing somewhat outside this general pattern.<sup>48</sup> Given the apparent importance of accessibility for the development of foodstuff marketing in this area, emphasis was given to the trader's means of transport as the main structuring principle of Table 2. Similarly whether or not a trader collects produce was considered to be more important than whether she sells to wholesalers, retailers or consumers. In other areas, where very differ-

Table 2: A General Classification of Wholesalers operating in Southern Ghana

Type of Trader	Code description used	FUNCTIONS PERFORMED									
		COLLECTING			TRANSPORTATION				DISTRIBUTION		
		Goes out and buys produce	Sells only her own produce	Buys at the market gate	Own or hired lorry	Pays a fare on a lorry	Head loads	Does not transport produce	To Institutions	To wholesalers/retailers	To consumers
Large-scale specialist Farmer-wholesalers	Ia Ib	x			x x					x or x	
Collecting-wholesalers	II	x				x				x	
" "	III	x				x					x
Motorised-farmers	IV		x			x				x	
" "	V		x			x					x
Forestallers	VI	x					x			x	
"	VII	x					x				x
Marketing-farmers	VIII		x				x			x	
" "	IX		x				x				x
Distributing-wholesalers	X			x				x		x	

ent marketing conditions prevail, a different order might be more appropriate. Indeed Table 2 is itself something of a hypothesis. It should not therefore be interpreted too rigidly: it is seen essentially as a starting point for field research. In the following section an attempt will be made to use it for identifying the traders that are operating in the Central Region.

#### 4. The identification of trading groups in the Central Region

Identifying the main groups that are trading in a region is always in practice likely to be complicated by a number of additional factors. Amongst the most important will be the type of study that is required in relation to the research capacity of the planning office. Within a given region there will normally be some degree of local specialisation in different agricultural products or in fishing, and in general the more local specialisation there is the more complex the regional marketing system is likely to be. On the one hand the importance of various types of traders tends to differ from one commodity to another, while even in the marketing of any one commodity there tends, on the other hand, to be considerable variation according to the accessibility of different parts of the region. In many cases, therefore, a study that is restricted to a small sample of markets cannot be expected to provide a reliable indication of the importance of various types of traders in the region as a whole.

However, in planning contexts such as that of Southern Ghana planning offices rarely command sufficient research capacity to undertake the large-scale studies that are likely to be required, even if they were to work together. Outside research assistance is in fact normally a necessity and, as Friedmann in particular has stressed, regional universities are likely to prove very important in this respect.<sup>49</sup> The present study was also carried out in such a context.

The main survey on which this study is based included interviews with 4,555 traders involved in wholesale activities as defined earlier, and covered 23 markets in the Central Region during a three month period in 1971.<sup>50</sup> The distribution of these traders by type is shown in Table 3. It must be re-emphasised, however, that this study aimed only to establish a first general framework within which other studies would later take place. It was realised from the outset that such a broad survey could only provide certain general indications as to the mechanisms by which marketing might be controlled. Market politics is essentially a sensitive issue, and to be fully understood it requires far more regular and far more personal contacts than are possible in any large-scale survey of this kind. The material presented in subsequent sections must therefore be seen only as a basic framework that must be rechecked and elaborated as more specific planning needs are identified.

The relative importance of the various types of traders operating in the Central Region will be discussed with the aid of Table 3. The latter contains three kinds of information, namely (1) the functional classification of traders, (2) the frequency at which each type occurs and (3) the proportion of total trade that each commands. A comparison of columns (2) and (3) will show that the various types of traders can be divided into two categories according to whether they command a greater or smaller proportion of total trade than their numerical representation would lead one to expect. This division is believed to be very significant.

Table 3 : The Distribution of Traders in the Central Region  
Performing Wholesale Activities by Type

Traders by type (1)	That type as a percentage of all traders (2)	Value of trade of that type as a percentage of all trade <sup>a</sup> (3)
I <sup>b</sup>	2	22
II	19	37
III	14	18
-----		
IV	11	7
V	3	2
VI	6	2
VII	5	2
VIII	31	7
IX	7	2
-----		
X	1	2
-----		
Total <sup>c</sup>	99%	101%

Notes:

- a. This is based on wholesale prices in the market of observation.
- b. As so few traders were observed types Ia and Ib have been combined. Of the 76 type I traders observed 57 were in fact type Ia traders who collect produce and 19 types Ib who had hired a lorry to transport their own produce to market. The importance of each type will be clarified later.
- c. These differences are due to the rounding of decimal places.

These categories will therefore be considered separately in order to examine the functional differences between them.

The first category, who have a higher score on column (3) than on column (2), comprises types I, II, III and X. Each of these traders deals in relatively large units, and it can be seen from Table 2 that they each perform very specialised collection, transport and/or distribution functions. On this score at least they can each reasonably be classed as 'wholesalers', the differences among them reflecting varying degrees of specialisation as outlined earlier. These variations are important, however, and they can be clarified by briefly examining each type in turn.

Type I: Traders with their own transport

The significance of the few type I traders in the Central Region is clearly reflected in Table 3. These traders stand out not only because they deal in considerable bulk, but because they specialise in a limited number of high-value commodities.

As we have noted earlier, two sorts of type I trader are in fact combined under this one heading. The first (type Ia), who collect produce, are the 'queen-pins' of the marketing process for certain commodities. They completely dominate the interregional trade in staples such as maize, plantain and yams and command a large proportion of the total regional supply.<sup>51</sup> The type Ib trader is essentially Hill's

farmer-wholesaler, dealing in high-value local produce such as plantain, garri and certain vegetable oils.<sup>52</sup> A further important difference is that whereas the farmer-wholesaler, selling only her own produce and therefore trading less regularly, tends to trade in the main wholesale market, the interregional (type Ia) trader tends to sell more regularly and to sell at the large urban markets where her control of supplies is even more effective. Overall these type I traders illustrate yet again the advantages in the Central Region of controlling one's own transport.

#### Types II and III: Collecting-wholesalers

Type II and type III traders, who collect produce but rely upon regular lorry routes to provide them with transport, are a common feature of Chanaian markets. Although they do not fit equally into Hill's definition, they can both be considered as a kind of collecting-wholesaler, and they both operate mainly on a regional basis. Nevertheless, there are significant functional differences between the two.<sup>53</sup>

The type II trader can normally be considered as part of the bulking process whereby the small lots of individual farmers are put together for shipment to larger markets.<sup>54</sup> She travels to outlying markets where she mainly buys staples such as cassava, maize or plantain and transports them in quantities of up to 10-15 cocoabags either to Mankessim or direct to the main urban centres where she sells either to other wholesalers or to retailers.<sup>55</sup> The type II trader seems therefore in this respect to correspond to Nyanteng and Van Apeldoorn's 'visiting wholesaler'. However, fish trading in the Central Region is organised in such a way that many of these traders must also be classified as type II.<sup>56</sup> In this case traders deal mainly in smoked seafish, transporting it in bulk to the central wholesale market at Mankessim. In both cases the type II trader is characterised by her relatively large and her relatively rapid turnover. She also tends to stand out in almost any rural market, not only because she is - almost by definition - the main focus of trading activity, but because of the confidence and independence with which she goes about her business.<sup>57</sup>

The type III trader, on the other hand, is primarily involved in the distribution process and is consequently less specialised. She usually travels out to collect a variety of different fish or vegetables from Mankessim, other large markets or from the main fishing ports and on her return sells them directly to consumers in her local market. In the terms of Nyanteng and Van Apeldoorn she is therefore 'a bringer of non-local foodstuffs'.<sup>58</sup> However, the fact that she sells in local markets means that she is almost inevitably less specialised than her type II counterpart. For example, whereas the latter tends to trade in one commodity, deals in quantities of several cocoabags and resells to retailers in a short period of time, the type III trader normally buys only a few baskets and several products at a time, reselling them over a period of several days. As few rural markets can support specialised retailers, a distinctive feature of the type III trader is that she performs their functions herself. Because the demand in rural markets is essentially limited she must sell several commodities in order to make a living and in order to spread her risks. The type III trader, in selling to consumers, operates anyway on a more tenuous basis.

Type X: Distributing-wholesalers

The main characteristic of type X traders operating in the Central Region is that they do not collect or transport produce themselves but are instead involved in break-of-bulk transactions within a given market. They are located mainly in Mankessim and Cape Coast, operating as local distributing agents for specialised (type I or type II) traders who bring produce from other regions. They receive their produce in large quantities at the market gate and then either store it, distribute it in bulk through their regular local outlets or break it down for distribution in smaller units to other wholesalers or retailers.<sup>59</sup> These traders dealt mainly in maize, rice and groundnuts, for which other regions were important suppliers.<sup>60</sup> As Table 3 shows, the type X trader is really insignificant in numerical terms. However because of the functions that she performs with regard to certain key commodities she must be considered in any study of regional trade.

Each of these four types of traders therefore performs a quite distinct role in the regional marketing system, and they are each considered to be important functional groups that will have to be taken into account in formulating any regional marketing policy. For them trade is a specialised and carefully organised activity that is established over a period of time and then protected.

The second category, containing types IV to IX, reflects a very different type of trader. It can be seen from Table 3 that these traders occur more frequently than do the specialised wholesalers that we have just discussed, but that they deal in a far smaller proportion of total trade.<sup>61</sup> These statistics reflect the weaker position that these traders tend to hold in the region's marketing structure. They are primarily farmers, risking relatively little capital, and able to fall back on their own production during bad times. In other words these are farmer-traders for whom trading activities are better seen as a matter of role extension than as one of role differentiation.<sup>62</sup> They can not be seen as specialised wholesalers as could those traders that were discussed above. This category is comprised mainly of farmers' wives and daughters who either collect produce for resale in local markets, or transport their normal load by lorry, or simply headload their own produce for sale in the local market.<sup>63</sup> It is clear from Table 3, however, that these six types are not equally important. Again a better impression of the different functions that these traders perform can be given by looking briefly at each in turn.

Types VIII and IX: Marketing-farmers

A common sight on the approach routes to any rural market in Southern Ghana is a seemingly endless stream of women carrying headloads of produce for sale at the local market. Their activity reflects the normal trading outlet for the small farmer, and together these traders comprise almost 40 percent of all foodstuff traders interviewed in the Central Region.

A fairly clear distinction can be drawn between the functions of type VIII and type IX traders. The former sell to (mainly type II) collecting-wholesalers and normally market only one staple such as cassava or maize. This is the basic trading activity of most rural markets. In contrast type IX traders normally sell local vegetables such as peppers, palm fruit and plantain to other farmers who come

to market their own produce. However, limited demand seems in most cases to impose severe restrictions on this type of trade, and type IX traders consequently account for a very small proportion of total trade.

Types IV and V: Motorised-farmers

These traders can be seen as the motorised counterparts of marketing-farmers that have just been described. They are simply farmers transporting their own produce to market; however, because of the well-developed local transport system in certain areas they are able to use lorry transport to sell locally, or in some cases to sell directly in near-by urban centres. Nevertheless these traders do not normally deal in quantities of more than a few headloads, and their activities are therefore quite different in scale from those of the (type Ib) specialised traders that were mentioned earlier. Again a distinction can be drawn between the two types, the former selling staples to wholesalers or retailers, and the latter selling vegetables to consumers.

Types VI and VII: Forestallers

Both of these types can be seen as 'local buyers' and satisfy Smith and Hay's description of a forestaller. They are seen as members of the local farming community who buy produce on farms or on the roads around a market and then resell it to a collecting-wholesaler who knows them well because he buys their own produce from them. In some cases the forestaller may in fact operate as an agent of the collecting-wholesaler. However, the evidence of Table 3 seems to suggest that such traders tend to be relatively unimportant in the organisation of regional trade.<sup>64</sup>

There are therefore few really important differences between the various types of traders that fall into this second category. Indeed types IV to IX can reasonably be interpreted as 'farmers' rather than as 'wholesalers', and in the subsequent discussions they will therefore be viewed as one trading group. This is not intended to imply that differences within this group are of no significance. It could well prove pertinent, in terms of a policy of rural development, to examine the position of various farmer-traders more carefully. However, this can best be done once the structural context in which these farmers operate is better understood.

Based on the fore-going discussion, two main categories of traders will be considered in the subsequent sections. On the one hand are the wholesalers, which are seen to comprise four functionally distinct groups, and on the other are the farmer-traders. This information is summarised in Table 4 which compares these groups with those outlined in earlier typologies. Here it can be seen that the main groups that have been identified do in fact correspond by-and-large with the types outlined in these earlier typologies. However, there remains an important functional difference in that the transport function is not stressed in the other classifications.

5. The Social backgrounds of the main trading groups

The main thrust of the 1970-71 budget presented by the Busia government lay in the programme to lessen the disparities in the level of development of different groups in Ghanaian society, giving preference to those

Table 4 : Main Trading Groups in the Central Region

Main category	Group	Nearest equivalent in other typologies		
		Hill	Smith and Hay	Nyanteng and Van Apeldoorn
<u>Wholesalers:</u>	Type Ib	Farmer-wholesaler	-	-
	Type II ) Ia)	Collecting-wholesaler	Itinerant trader	Visiting wholesaler
	Type III	-	-	Trader bringing non-local foods
	Type X	Distributing wholesaler	Urban wholesaler	-
<u>Farmer-traders:</u>	all types IV-IX	-	Forestaller	Local buyers and agents

living in rural areas. This programme gave the planner certain criteria for the ranking of investment priorities within his region. He was being asked to assess in how far the existing distribution of benefits was compatible with this overall policy, and in how far various measures open to him were likely to influence this distribution.<sup>65</sup> In order to do this he would inevitably need to know something about the social backgrounds of the main trading groups that were operating within his region.

There is some evidence to support the widely-held view that wholesalers tend to be urban-based. For example, the differences in background and attitude that are often so conspicuous when wholesalers and farmer-traders confront one another in local markets emphasise the fact that collecting-wholesalers are essentially outsiders. The confidence and authority of (type III) fish sellers or (type II) collecting-wholesalers is frequently in market contrast to the attitude of individual farmers.<sup>66</sup> It is always tempting, therefore, to suggest that this is because these wholesalers come from the main urban centres and that they are consequently unhindered by fears of community controls and constraints. However, as Table 5 shows, this general impression is not entirely borne out by evidence concerning the place of residence of these various groups. The table shows the percentage of traders in each of the main groups that lived in settlements of over 5,000 inhabitants. If wholesalers were urban-based a large proportion of them could be expected to reside in towns of this size or even larger.<sup>67</sup> But this was not entirely the case.

Although it is true that the proportion of wholesalers living in urban centres is consistently higher than the corresponding figures for farmer-traders and for the regional population as a whole, almost half of all the wholesalers interviewed were found to be living in rural settlements.<sup>68</sup> Therefore, at least in numerical terms, urban wholesalers were not particularly important.

Table 5: The Percentage of Traders in Each Group that Reside in Settlements of over 5,000 Inhabitants (Central Region, 1971)

Type of trader	Percentage residing in settlements of over 5,000 inhabs.
Type I	78
Types II & III	50
Type X	88
Farmer-traders	16
Total regional population <sup>*</sup>	26

\* Estimated from the 1970 Population Census: provisional list of localities (C.B.S., Accra, 1971).

In structural terms, however, the situation appears to be somewhat different. It must be borne in mind that type I and type X perform quite distinctive and highly specialised activities. They seem to operate at certain key distribution points in the marketing system and they command a relatively large proportion of total regional trade. It may in many ways therefore be more significant that a small group of specialised traders do live in urban centres than that so many less-specialised wholesalers do not.<sup>69</sup> It is therefore necessary to examine the background of these various traders in somewhat greater depth.

In section 3 it was argued that the scale on which a trader operates is likely to be an indicator of her specialisation in wholesale as against farming or retail activities. With this in mind, therefore, Table 6 shows the average financial outlay associated with each of these trading groups, including both the costs of purchasing produce and the costs of transporting it. In some cases these figures will tend to underestimate actual outlays as many wholesalers may also perform credit functions as a means of controlling their trade which would imply additional (and perhaps considerable) outlays. Nevertheless these figures can be taken as a reasonable indicator of the scale on which different trading groups operate.

The average annual income per rural worker in the Central Region was estimated to be N¢ 152 in 1964,<sup>70</sup> and it does not appear to have risen significantly in recent years despite the increasing rural emphasis of government policy.<sup>71</sup> Viewed in this context the average outlay per market day of urban-based type I and type X traders, namely N¢ 126 and N¢ 42 respectively, is very high. The capital outlays of (types II and III) collecting-wholesalers are also considerably higher than those of farmer-traders who either buy produce or use lorry transport. Moreover, it is significant in this respect to note that the average capital outlay of collecting-wholesalers residing in urban settlements was found to be double that of traders operating from rural areas.<sup>72</sup> In other words urban-based wholesalers do seem in fact to be in a far more dominant position than their numerical strength would seem to suggest.

Table 6: The Average Outlay per Market Day for Each Group of Traders in the Central Region (in New Cedis<sup>a</sup>)

Group	Average wholesale value of produce (N¢) <sup>b</sup>	Average outlay on transport (N¢)	Average total outlay per trader (N¢)
Type I	109	17	126
Type II	16	1	17
Type III	11	1	12
Type X	42	-	42
Farmer-traders <sup>c</sup>	2	0.5	1

Notes:

- a. In the summer of 1971 1 New Cedi (N¢) equalled approximately 1 U.S. dollar.
- b. Based on wholesale prices at the market of origin.
- c. These traders either collect or transport. The average outlay per trader is therefore not a summation of purchase and transport costs as in the other cases.

However, whereas type I and type X traders together have an effective control of the interregional trade in certain high-value staples, the collecting wholesaler deals mainly in commodities such as cassava or vegetables which are widely produced within the region and which are often marketed directly by the farmers themselves. The profit margins and business security of the former tend consequently to be quite different from those of the latter groups, the collecting-wholesaler usually operating with a finer profit margin and with far more competition. It seems wise in this context therefore to view the rather distinct personality of the collecting-wholesaler not simply as an indication that she is 'urban' but as a more general reflection on the selection process at work in the marketing system. Where competition is sharp a hard business attitude is no doubt a prerequisite for success as a wholesaler.

On the same grounds a large proportion of these wholesalers could be expected to operate from locations that offer them definite advantages over their competitors. In the main market centres, for example, traders have access to many sources of market information. Indeed the larger the market that a trader operates at, the more accurate and the more complete her information is likely to be. New trading ventures are also more likely to be conceived in the main centres where there is more market information available, and where there are likely to be more people with similar trading interests. It was noted earlier that there is evidence of certain traders operating in teams, wholesalers and retailers establishing a close business relationship in order to regularise their trade, or wholesalers employing agents to buy for them along a particular route. In this context the possibility of joint financing is particularly attractive, not only because the initial outlay per trader is likely to be lower but because it offers a means to control one's supply or one's distribution outlet. However, in most cases these arrangements rest largely on trust, and for this regular contact and familiarity with other traders is likely to be important.

There are various grounds, therefore, for expecting wholesalers to prefer a central location. No doubt if they prefer for these reasons to live in large urban centres this will tend - if anything - to strengthen their sense of independence. However, not all of these central locations are urban. Indeed, it was noted in section 2 that there is little correlation between the size of a centre and its importance in the regional marketing structure. There are a number of markets, such as Fanti Nyankumasi, Odoben, Esiam and Dawuramong, which are important local centres but which - like Mankessim - are located in settlements of less than 5,000 inhabitants. Moreover, in certain cases such as the inland distribution of fish from fishing villages on the coast there is no reason at all to expect middlewomen to come other than from the village concerned. Seen in this light the findings of Table 5 become far more understandable.

On the other hand, given the considerable outlays particularly of types I and X wholesalers, there remains the question of how this wholesale trade is financed. Although there is no doubt that certain large farmers could provide their wives with such amounts, the income differentials between urban and rural areas again suggest that urban sources are likely to be more important.<sup>73</sup> It is clear, for example, that a number of traders - although they mainly dealt in imported goods such as textiles rather than in foodstuffs - were able to obtain loans from commercial banks in the regional capital.<sup>74</sup> However, these loans were not readily available to all traders, and they did not comprise a major source of finance.

This seems to be confirmed by the work of Nyanteng and Van Apeldoorn who found that in an area of the Volta Region most traders financed their business either with loans from friends or relatives or from their own savings.<sup>75</sup> This appears to be the case in the Central Region, although there is reason to believe that these are frequently associated with joint projects such as those that have been described. For example, it was found that 40 percent of the type I and 33 percent of the type X traders interviewed had relatives operating as wholesalers or retailers in the same market, compared to 18 percent amongst traders as a whole. These traders appeared to operate in conjunction with relatives, and no doubt others operated with friends and business partners. It seems very likely that traders who rely on the standing arrangements that they hold in common would also help each other financially.<sup>76</sup>

The main alternative to this kind of arrangement would be to finance the necessary outlays from personal savings. As almost all wholesalers dealing in foodstuffs in the Central Region are women, their husbands' occupation is likely to be indicative of the extent to which personal savings are a possible source of finance. Some 77 percent of all wholesalers interviewed in the Central Region were found to be married, the figure for type I traders standing out somewhat above the remainder with 90 percent married. In order to make some assessment of the social background of these groups an attempt was therefore made to classify their husbands' occupation. The result of this exercise is given in Table 7.

There are a considerable number of methodological difficulties involved in classifying occupations accurately in the context of a large field survey, and Table 7 must consequently be read with a good deal of caution. By-and-large, however, this information seems to complement that shown in Table 5, and the quite different occupational structure of wholesalers' husbands as against that of farmer-traders' further con-

Table 7: The Husbands' Occupation of Traders Operating in the Central Region  
(Percentages in each class)

Trading group	Occupational class					
	A. Professions and government officials	B. Traders and drivers	C. Craftsmen and technicians	D. Fishermen	E. Farmers	F. Others
Type I	19	18	16	10	33	5
Type II	10	13	14	31	27	6
Type III	13	14	17	21	25	9
Type X	16	23	28	0	27	5
Farmer-traders	5	5	6	5	76	2

forms the validity of this distinction between the two. In the case of the former the husbands' occupations appear to represent a cross-section of occupations roughly in keeping with their distribution over urban and rural areas. Again types I and X stand out, scoring relatively high on occupation classes A, B, and C which are more likely to be urban-based and to be more remunerative. In contrast very few farmer-traders are married to people in occupations A to D. This evidence suggests, therefore, that the occupation that a trader's husband performs could well be important as one factor influencing her ability to trade. In this respect the urban-based wholesaler is more likely to have the advantage.<sup>78</sup>

Taking this evidence as a whole it seems reasonable to conclude that marketing in the Central Region is in a transitional phase. The most specialised wholesalers are basically urban groups living in and operating from the main urban centres of demand. Because of the volume of trade they dealt in they tended to be part of a regularised trading network that offered them reliable outlets for their produce and which was bound together by a series of credit and other business relations. These traders were also more likely to be married to people in non-traditional occupations. This group included in particular the type I and type X trader, but also those collecting-wholesalers who were urban-based and whose capital outlay was well above the average for that group.<sup>79</sup> This may be considered as a relatively modernised marketing sector.

Secondly, there were the remaining type II traders and the majority of the type III traders who sell mainly in the smaller rural markets. Whereas traders in the modernised sector had certain advantages over the farmer-trader by virtue of their specialisation (for example economies of scale in transportation and because retailers normally prefer to receive all their supplies in one transaction rather than having to buy numerous smaller quantities) this was somewhat less true of this second group. These traders either operated on a relatively small scale or took on certain retail functions. Because their actual profit was so much smaller they were also likely to be far more dependent upon local price differentials and upon their personal ability to exploit them. These traders might therefore be seen as a transitional, and to some

extent a more transient group in the sense that because they operate in a more competitive and a financially more precarious context a greater degree of mobility might be expected here between trading and other professions. Moreover, although a central location may be important to this group, this does not necessarily mean that urban centres are the most attractive to them. Knowing the local farming community and being able to buy at the farm gate might also give such traders certain advantages, as might knowledge of (non-urban) wholesale markets. The final group of farmer-traders can be considered as a largely traditional rural group.

#### NOTES

1. See the speech by the Prime Minister on opening the debate on the Second Development Plan, March 1959, Legislative Assembly Reports, 1959; and E.N.Omaboe, "The Process of Planning", in W.Birmingham, I.Neustadt and E.N.Omaboe (eds.), A Study of Contemporary Ghana, Volume 1, The Economy of Ghana (London, 1966).
2. See E.N.Omaboe, ibidem; Two-Year Development Plan: from stabilisation to development 1968-70 (N.L.C. Accra, 1968), particularly sections II and IV.1; Budget Statement for 1969-70 (N.L.C. Accra, 15 July 1969); Budget Statement for 1970-71 (Accra, 25 August 1970), particularly chapters 1, 2 and 3.1.
3. The importance of cocoa in the Ghanaian economy can be judged from the fact that in 1969 earnings from cocoa comprised 29.5% of total government revenue and that over the five years 1965-69 cocoa and cocoa products averaged 64% of total exports by value. Economic Survey 1969 (C.B.S. Accra 1970), pp. 25 and 41.
4. See E.N.Omaboe op.cit. (1966).
5. See Polly Hill, Studies in Rural Capitalism in West Africa (Cambridge, 1970), Part One.
6. Budget Statement for 1969-70, op.cit.
7. The broad political support for the Progress Party can be seen from the 1969 election returns. It won 105 out of the 140 parliamentary seats and was successful in both urban and rural areas. The main lines of Busia first became clear in the Budget Statement for 1970-71, op.cit.
8. See the Budget Statement for 1970-71, op.cit.
9. In June 1970 the population of the Central Region was approximately 810,000, with 74% of the regional population living in settlements of less than 5,000 inhabitants. 1970 Population Census: provisional list of localities (C.B.S., Accra 1971).
10. Roughly two-thirds of the eligible population registered as voters (See The Legon Observer, 9 May 1969), and 62% of all registered voters in the Central Region cast their votes in the elections of August 1969. The Progress Party received 72% of all votes cast (The Electoral Commission, Cape Coast). The Progress Party in fact won all the seats in the Akan dominated areas which has been interpreted as indicating that tribal affinities had a major influence on the results. (See The Legon Observer, 5 September 1969).

11. Cf G.B.Kay (ed.), The Political Economy of Colonialism in Ghana (Cambridge 1972), Table 14 p.322 and the Economic Survey 1969, op.cit., Table 11 p.29. It is clear from the latter source that investment in agriculture over the period 1965-69 was not only far smaller than the government's rural policies would lead one to expect, but that expressed as a percentage of total government expenditure it was actually declining. An example of a major policy favouring urban groups is provided in the lifting of the import surcharge as part of the 1970 liberalisation policy (See the Budget Statement for 1970-71, op.cit., Chapter V). Even during the period of import restrictions the government's system of price controls seems to have benefited urban rather than rural groups. (See T.Killick, "Price controls in Africa: the Ghanaian experience", Journal of Modern African Studies, 11, 3 pp.405-426, September 1973).
12. Mensah's Budget Statement for 1970-71 contained a definite welfare emphasis, looking to a better distribution of benefits between groups (paragraph 27) and between regions (implicitly in the rural emphasis, particularly in paragraph 30), op.cit.
13. This administrative context is the subject of a separate paper.
14. See C.D.Kudiabor, "Growth Centres and Growth Poles in Regional Development in Ghana" (UNRISD 71/C.60, Geneva 1971); and "Regional Development in Ghana - problems, policy objectives and strategies", in Regional Development Alternatives: a seminar report (German Foundation for Developing Countries, Seminar Centre for Economic and Social Development, Berlin, 1972).
15. This confusion was not confined to the Central Region but was apparent at all levels. See T.Killick, chapter 9 of Birmingham et al. (1966), p.226f.
16. See the files of the former Department of Agriculture (Asuansi Records, Asuansi State Farm) and the Ministry of Agriculture, Economic and Statistics Division.
17. Cf. S.La Anyane, "Agriculture in the General Economy", in J.B.Wills (ed), Agriculture and Land Use in Ghana (London 1962), p.197f. This classification has been elaborated somewhat in recent years, but the basic criticisms that are lodged here concerning the usefulness of this distinction at the regional level are still considered to apply.
18. Furthermore the basic statistics that are collected can only be interpreted usefully with knowledge of the marketing structure through which the produce is passing.
19. G.W.Skinner, "Marketing and Social Structure in Rural China", in the Journal of Asian Studies, XXIV, 1 (November 1964).
20. W.McKim, "The Periodic Market System in Northeastern Ghana", in Economic Geography, 48, 3 (July 1972).
21. See McKim, op.cit. (1972), pp.334-5; and G.J.van Apeldoorn, A Census of Markets in Ghana (preliminary paper, ISSER, University of Ghana, Legon 1971).
22. See D.Grove and L.Huszar, The Towns of Ghana (Accra 1964); and C.D. Kudiabor op.cit. (1971).

23. See B.W.Hodder, "Some Comments on the Origins of Traditional Markets in Africa South of the Sahara", Transactions of the Institute of British Geographers 36 (June 1965), p.99 and Polly Hill, "Notes on Traditional Market Authority and Market Periodicity in West Africa", Journal of African History, VII, 2 (1966).  
The 'importance' of a market is seen in behavioural terms rather than in terms of its size. Cf. E.A.J.Johnson, The Organisation of Space in Developing Countries (Harvard University Press 1970), p.125.
24. P.Hill op.cit. (1966), p.298f.
25. R.J.Bromley, "Markets in the Developing Countries: a review", Geography, 56, 253 (1971), p.126.
26. B.W.Hodder & U.I.Ukwu, Markets in Africa (Ibadan 1969) ch. V and VI; and B.W. Hodder, "Periodic Markets in West Africa" in C. Meillassoux (ed), The Development of Indigenous Trade & Markets in West Africa (OUP 1971) p.347f.
27. Op.cit. (1965), p. 209.
28. V.G.Fagerlund and R.H.T.Smith, "A Preliminary Map of Market Periodicities in Ghana", The Journal of Developing Areas, 4, 3 (April 1970), p.336.
29. D.M.Dunham, "The Development of the Transport Network in the Central Region 1922-35" (Institute of Social Studies, The Hague, 1973).  
The importance of increased accessibility is also stressed by Rowena Lawson in her paper on "The Supply Response of Retail Trading Services to Urban Population Growth in Ghana", in C.Meillassoux (ed.) op.cit. (1971), p. 389.
30. S.Forman and J.F.Riegelhaupt, "Market Place and Market System: toward a theory of peasant economic integration", Comparative Studies in Society and History, 12 (1970), p.202.
31. The only exception to this is Esiam market which is held once a week. This appears to be due to the close proximity of two other markets, Besease and Ajumako. Together these three markets form the one indisputable market cycle to be found in the Central Region.
32. See Bromley op.cit. (1971), pp.125-26.
33. R.H.T.Smith and A.M.Hay, "A Theory of the Spatial Structure of Internal Trade in Underdeveloped Countries", Geographical Analysis, 1, 2 (1969), p.122.
34. Bromley op.cit. (1971), p.131.
35. Cf. B.W.Hodder and U.I.Ukwu op.cit. (1969), Chapter V. This kind of classification is rejected by Hodder and Ukwu on the grounds that, in the absence of more detailed data on the movement of goods and traders in the Yoruba area, it proved to be of only limited value. Flow data exists for the Central Region and the context there is in contrast significantly different from addresses by these authors.
36. However, in order to avoid certain dangers in assuming a priori that hierarchical relations are important in market organisation this aspect will be elaborated in a subsequent paper on dominance in marketing chains.
37. Polly Hill, "Markets in Africa", Journal of Modern African Studies 1 (1963), p.451.

38. Ibidem.
39. R.H.T.Smith and A.M.Hay, op.cit. (1969), pp.127-128.
40. V.K.Nyanteng and G.van Apeldoorn, The Farmer and the Marketing of Foodstuffs (Technical Publications Series No.19, ISSER, University of Ghana 1971).
41. Ibidem, p.40f.
42. Given the small percentage of traders interviewed that stored produce (5%), and the fact that only certain commodities were stored for more than a few days, this function is better discussed in terms of the market chains associated with these commodities.
43. The term 'collecting' is used rather than 'bulking' in order to distinguish this process from the bulking of produce within a market (for example for storage) which does not imply collecting in the sense thus defined. These functions are associated with very different roles in the regional marketing system.
44. See E.Amonoo, "The Flow and Marketing of Agricultural Produce in the Central Region with special reference to Cape Coast" (Research Report Series No.15, Centre for Development Studies, University of Cape Coast, 1974), p. 72.
45. This is discussed in a subsequent paper on dominance in marketing structures.
46. No possible types are in fact excluded in this exercise which was based on preliminary fieldwork in the region.
47. Again the question of 'importance' is viewed not in numerical but in behavioural terms. For example, in the case of type Ib traders - who are specialised on all three functions - their position in a given marketing chain and the proportion of total trade that they control are likely to be better indications of their importance than would the proportion of all traders falling into that group.
48. Some explanation may be required concerning type X traders who are less easily interpreted from Table 2. These are seen as distributing wholesalers who do not travel to outlying areas to buy produce, and who do not strictly 'collect' or 'transport' produce in the sense used here. The type X trader receives her produce at the market gate, but although she only operates within a market she is essentially a wholesaler because of the specialised storage and distribution functions that she performs.
49. J.R.Friedmann, Regional Development Policy: a case study of Venezuela (M.I.T. Press 1966), p.95.
50. As the representativeness of this sample requires specific and rather detailed attention it will be the subject of a separate paper.  
A number of smaller surveys were also carried out among retailers and lorry drivers as well as other interviews with wholesalers. These will be referred to later.
51. These characteristics will be substantiated in the following sections.
52. This differentiates the farmer-wholesaler from the majority of farmer-traders who deal in cassava, local maize or vegetables.

53. It must be noted that these are general trends. Type II traders were observed dealing in vegetables, and type III traders also sell cassava and plantain; although this is not normally the case. I am concerned here with identifying main structural features of regional trade, and a number of further elaborations and qualifications will be introduced in subsequent sections.
54. Cf. Smith and Hay op.cit. (1969).
55. This was found to be the typical maximum, although type II traders were encountered who were dealing in quantities of twice this size.
56. In the typology of Nyanteng and Van Apeldoorn (op.cit., 1971) fish traders would be 'traders bringing non-local foodstuffs'.
57. This is also true of those type Ia traders who buy from local farms and, less frequently, from local markets.
58. Op.cit. 1971.
59. A number of ethnic factors are also relevant in explaining the role of the type X trader. These are discussed in a subsequent paper. Almost all type X traders operating in the Central Region also did a certain amount of retailing. Cf. Hill op.cit. (1963), p.451.
60. There were also certain functional differences between traders in maize and traders in, for example, groundnuts largely because the demand for these products was of very different dimensions.
61. Types I, II, III, and X together comprised 36% of all traders and handled 79% of all trade by value. The corresponding figures for types IV to IX were 63% and 22% respectively.
62. See T.A.Boyd and E.V.W.Vercruijse, "A Design for a Study of the Processes of Occupational Differentiation in Rural Areas and its Causes", Development and Change, I, 1 (1969).
63. The farming background of these traders will be elaborated in the following section.
64. It must be added that given the local lorry system it was often difficult in practice to draw an adequate distinction between fore-stallers and type II collecting-wholesalers. This has no doubt had an influence both on the surprisingly high proportion of type II traders and the low proportion of types VI and VII, despite the use of several conventions aimed to cancel this out.
65. Budget Statement for 1970-71, op.cit. (1970).
66. In this sense Nyanteng and Van Apeldoorn's term 'visiting wholesalers' is particularly apt.
67. Although the term 'urban' is conventionally reserved for towns of at least 10,000 inhabitants, the rigid dichotomy that this implies is not always so valid in practice. Smaller towns of 5,000-10,000 inhabitants can be important rural foci in agricultural regions, and they are therefore included in Table 5. It is clear, for example, from any visit to towns such as Asikuma or Foso in the Central Region that they perform a number of important central place functions for their surrounding hinterlands. Finally, it should be noted that 'urban' centres were defined in the 1960 Population Census as settle-

ments of over 5,000 inhabitants.

In 1970 there were 20 settlements of over 5,000 inhabitants in the Central Region and 7 settlements of over 10,000. 1970 Population Census, op.cit.

68. This is of course because (types II and III) collecting-wholesalers comprise approximately 90% of all wholesalers. The position of these collecting-wholesalers is indeed particularly unclear. The findings of Nyanteng and Van Apeldoorn seem to suggest that a number of 'local buyers' operating in rural areas might be included amongst these traders, thus tending to pull down the percentage of type II traders living in urban centres (op.cit. 1971 p.40f). Indeed, the relatively low figure for these traders is at least partly due to the practical difficulty of differentiating between forestallers who, because of the high accessibility of their area, are able to use lorry transport even for short distances and for small loads, and the type II collecting-wholesaler. (Cf. footnote 64). In practice an attempt was made to minimise this error by introducing a convention whereby any trader who collected less than two headloads of staples and transported it by lorry to the nearest bulking market was classified as a forestaller and not as a type II wholesaler. Overall, therefore the margin of error that arose from misclassifications would scarcely be sufficient to raise the percentage figure for collecting-wholesalers very substantially.
69. It is noteworthy in this respect that some 70% of all type I and type X traders were found to reside in settlements of over 10,000 inhabitants.
70. J.Isaac, "The Distribution of Rural Incomes in Ghana" (ISSER, University of Ghana), quoted in J.E.Bannerman, Rural-Urban Integration (unpublished thesis, Settlement Study Centre, Rehovot, April 1972).
71. See the Economic Survey for 1969, op.cit. (1970), p.101.
72. The average capital outlay of collecting-wholesalers living in settlements of over 5,000 inhabitants was just over N¢ 21 compared to N¢ 10 for the same type living in smaller settlements.
73. The average income of the lowest paid occupational group studied by the group of researchers in Cape Coast was almost double the estimated rural income of the region. Confidential source.
74. During 1971 the three commercial banks in the Central Region varied considerably in their attitude towards giving loans to traders. In the most positive case the regional head office claimed that loans were regularly given to traders who had held healthy current accounts with the bank for some time. In practice this meant that loans were available to well-established traders or to women whose husbands had healthy current accounts. The Agricultural Development Bank was not offering loans to foodstuff traders in the Central Region.
75. Op.cit. (1971), p.45f
76. This view was confirmed by additional interviews carried out over a six month period with selected traders in Cape Coast and Mankessim markets.

77. Source: 1971 Market Survey. Group A includes lawyers, medical practitioners, university, college and school teachers, and government officers. Group B contains market traders, store keepers, P.W.D. drivers, lorry and taxi drivers and state bus drivers. Group C comprises electricians, fitters, carpenters, masons, blacksmiths, goldsmiths and tailors whether working independently or for a firm or other institution.
78. The most substantial outlays were associated with wholesalers married to people in class A. The largest outlay observed was made by the wife of a Kumasi lawyer.
79. Translated into quantities a collecting-wholesaler who buys 7 cocoa bags of cassava or more would be considered 'well above average' in this sense.

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