Dry pea producers see potential profit in troubled countries

By BLAKE NICHOLSON
Associated Press Writer

For some people, the names of such countries as Cuba, Iraq, Afghanistan and India evoke images of trouble and instability. For North Dakota dry pea farmers, they bring dreams of huge and profitable markets.

"In a lot of these countries there are a lot of vegetarians and also, its countries where there are a lot of starving people," said Greg Johnson, a Rosebud farmer who owns Minor-Based Premier Pesos International Inc. "Peanut and lentils, they are a high-energy, high-protein source. And compared to other commodities that you could get the same nutrient source from, they're very inexpensive.

North Dakota companies that handle dry peas ship to solid markets such as Europe and South America. They also have sent more than 14,000 metric tons of peas to Cuba since a state delegation traveled to a food show on the communist island nation in September 2002. A law Congress passed in 2000 allows the sale of U.S. farm goods to Cuba.

Several industry representatives traveled to the Philippines last month in a move to try to expand that nation's imports of peas for both the livestock feed and human food industries.

In September, the North Dakota Dry Pea and Lentil Association and U.S.A. Dry Pea and Lentil Council hosted a trade delegation from India, hoping to crack a market dominated by Canada and Australia. Afghanistan and Iraq are viewed as potentially enormous markets for peas through food aid programs.

"It's a protein source for a lot of Middle Eastern, Asian countries," said Eric Bartsh, administrator of the North Dakota Dry Pea and Lentil Association. "Due to religion, a lot of the population doesn't eat meat, and they look to pulse crops as a protein source."

Pulse crops are pod-bearing plants with edible seeds, such as peas, beans, lentils. U.S. farmers this year produced about 240,000 metric tons of dry peas, a crop that has a small domestic market but is primarily shipped overseas.

Bartsh said about 90 percent of the 133,000 metric ton crop of peas produced in North Dakota last year was exported.

If markets such as Cuba and Afghanistan continue to develop, "we would need way more acres," Johnson said.

"If Cuba were to purchase all the dry peas produced in the U.S., they would still be short on peas," he said. "The Philippines, their consumption is enormous. China is another potential market just laying on the outskirts with all these people to feed."

Bartsh said getting paid sometimes is a question when it comes to such countries as Cuba.

"It can be an issue with a lot of crops," he said. "But people involved in trade definitely know who the reputable buyers are. We haven't had too many nightmare stories about not getting paid."

Dry pea acreage in North Dakota, which leads the nation in production, has risen from fewer than 15,000 acres in 1994 to about 185,000 acres this year, driven by good prices and other factors. The crop puts nitrogen back in the soil, and helps break disease cycles in small grains such as wheat. The new marketing loan program that sets a floor price and assures farmers a minimum income.

Bartsh and Johnson said the development of more export markets would ensure a larger market.

"If we can keep stable markets for the producer, I see no reason why it won't lead to more acres," Johnson said.

While there is a domestic market for the crop, it's not like the world market, he said. "We just haven't figured out (in the United States) what a good product we have here."