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Islands and beers: Toasting a discriminatory approach to small island manufacturing

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Abstract: *This paper explores the relationship between beers and island development, using a global sweep but with a special reference to the insular Pacific. It adopts a discriminatory approach, touching upon the role and impact that niche and bouquet beer manufacturing can have on the socioeconomic development of small islands. It departs from a personal observation: many small island jurisdictions have their own brewery. Indeed, the brewery could also be the island territory's largest indigenous manufacturing concern. While small islands are associated with low manufacturing capacity and diseconomies of scale, nevertheless 'a local brewery' comes across, in many cases, as a profitable and glaring exception that speaks to the attractions and virtues of locality branding.*

Keywords: *beer*, *branding*, *brewery*, *islands*, *manufacturing*

Introduction

Kabutaulaka (2005: 88–89) provides anecdotes of men from Malaita and Guadalcanal, proudly showing off that they can afford to buy and drink the Solomon Islands beer, Solbrew. The alcoholic drink becomes the commodity around which the lucrative logging industry revolves. 'It dictates the nature of logging negotiations, state policies, and the relationship between landowners and the different stakeholders in the forest industry' (Kabutaulaka, 2005).

The drinking of beer performs multiple roles in Pacific society. Early missionaries took extreme lengths to enforce prohibition and stamp out the practice of kava drinking; and the secret production of strong local 'bush beers' was a natural reaction. This may explain why beer, like yaqona/kava, is often consumed collegially in the region in elaborate and entertaining ceremonies, which could involve music, dancing and prayer. The *tunumu* or 'bush beer drinking schools' are still relatively non-commercial and add a relaxed event of traditional entertainment to a Cook Island holiday (Rowlands, 2007). Town dwellers on most Pacific islands can expect to host guests from their village, for long periods, unexpectedly and without invitation; during which time the guests expect to be fed, to drink beer and be bought new things. Social and cultural practices aside, local beers however also perform a vital, and perhaps under-appreciated, *economic* function to small island territories.

Since we all need to drink to survive, beverages accompany human consumption regularly. Among beverages, beer is allegedly the world's oldest and most widely consumed alcoholic beverage, and the third most popular drink overall in the world, after water and tea (Arnold, 1911/2005; Nelson, 2005: 1).

This paper is the result of a remarkable amalgam of cultural tourism, academic inquiry and a personal appreciation for good cold beer. As an 'island studies' scholar, I have been to various island jurisdictions around the world, and a request to sample 'the local beer' is one of my standard obligations. The question is sometimes met with incredulity: why try the local, sir, when we have imported, foreign brands? At other times, the sad answer is that none is available. But: where the request is met, I have rarely been disappointed. I now have a modest collection of colourful aluminium beer cans and beer bottle caps as hard evidence of my triumphant consumption of local cultures.

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The challenge

How does one transform small size and relative isolation into a powerful combination for sustainable growth and prosperity? The clutch of winning tools and strategies necessary for achieving this desirable goal include the branding of niche products and services (Baldacchino *et al.*, 2009). This paper explores one product that appears to lend itself handsomely to this task. This is accomplished by virtue of a broad appeal, an explicit affiliation with the locality where it is produced, the relative ease of it being 'import substituted', and the ability to tap into both tourist and diaspora export markets.

The perspective is a welcome shift of perspective from the rather pessimistic approach to small island development that has continued to dominate the literature, until very recently. A small (often island) economy is recognised as having an ability to adjust fast and well to sudden changes: an ability which larger, lumbering economies might not have. This has very much been the only recognised asset among a whole litany of woes for small economies; and a rhetorical one at that, not subjected to rigorous testing. The list of 'chronic vulnerabilities', meanwhile, is extensive: it includes the relative inability to reap economies of scale, a poorly diversified economic structure, a high exposure to foreign trade risks, a large brain and skill drain, relatively high transport costs, and (particularly in the Caribbean) a high susceptibility to environmental hazards (e.g. Dolman, 1985; Briguglio and Kaminarides, 1993). Kaminarides (1989: xii–xiv) must hold the record, outlining no less than 29 different 'characteristics' of small, mainly island, economies 'which tend to act as development constraints'.

Such sweeping statements, however, are not useful explanatory tools when it comes to looking at the opportunities that may result from economic policy or private entrepreneurship. With their broad strokes, they are unable to discriminate in favour of the evidence for development 'on the ground'. Many small island jurisdictions perform well economically, in spite – or because? – of all these obstacles. Armstrong and Read (2006) argue that islandness is indeed a *positive* contributor to the economic development of small jurisdictions, as against such other geographic features as being mountainous or landlocked. In spite of the real difficulties associated with developing manufacturing capacity on small island economies – (Baldacchino, 1998; *more on this below*) – this does not mean that there are no small island manufactures; and some of these can also be competitive, appealing to both local and foreign consumers. Thus, in various island jurisdictions that I have visited – including Åland, Barbados, Bermuda, Cyprus, Fiji, Iceland, St Lucia and the Seychelles – I have come across an island brewery. Moreover:

> On Prince Edward Island, Canada's smallest province with a population of 140 000, the Gahan Pub has its own microbrewery, producing handcrafted ales since 2000 (http://www.gahan.ca/).
>
> In the sovereign island state of Malta, with its population of 410 000, the largest indigenous (in this case, Maltese owned) manufacturing group of companies is the Farsons Group. It is the *only* locally owned manufacturing firm which employs more than 500 employees in the country. The first locally brewed beer – Farsons Pale Ale – was launched in 1928 (http://www.farsons.com/).
>
> A hundred years ago, Bornholm, the island municipality of Denmark, with its some 40 000 inhabitants, boasted more than 40 local breweries. In the late 1950s, the last one closed, and mainland Denmark's giants – Tuborg, Carlsberg and Faxe – took over. But a micro-brewery has re-opened in the town of Svaneke recently. With its special brew of Bornholmer Bryg, this is the fourth mini-brewery in Denmark today. In 2003, Svaneke Bryghus won the 'beer of the year' award and it is known nationwide. The brewery offers guided tours, beer tasting and a restaurant (http://www.svanekebryghus.dk).
>
> Founded in 1890 as a brewery, San Miguel Corporation is the largest publicly listed food, beverage and packaging company in the Philippines. As of 2001, its business generated 3.6% of the Philippines' GDP and 4.5% of the state's tax revenue. It is one of the Philippines' biggest private sector employers, with over 25 000 employees (http://www.sanmiguel.com.ph/).

A look at the http://www.beerme.com website – 'the most complete source of brewery informa-

tion worldwide' – reveals that many of the world's small island states and territories have at least one brewery. The main exceptions are those islands whose population is very small,[1] where alcohol may be banned for religious reasons,[2] or else otherwise not tolerant to the drinking of alcoholic beverages.[3]

Looking for explanations

But why should many small island jurisdictions have a brewery? A closer scrutiny reveals moreover that many of these breweries on small island territories exist where other manufacturing concerns do not. In some cases, the brewery represents the largest manufacturing concern on the island; and perhaps the *only* one of significance from an employment perspective.

This could very well happen because industrialisation and small islands do not sit well together. Industrialisation has occupied an iconic presence in most development theory; indeed, in the context of modernisation theory, development has often been seen as synonymous to industrialisation. It was the obvious, most conspicuous and crucial magnet to attract 'unproductive labour' away from stagnant agriculture or underproductive rural livelihoods (Streeten, 1993); it was the intended provider to mass, well-paying and non-seasonal employment for both men and women in urban surroundings; it would develop a pool of skilled, disciplined and technologically savvy labour; it would be the site for locally derived value added, reducing the drain of foreign currency in the context of a broader import substitution strategy; it would create additional economic demand both upstream and downstream in the product cycle (e.g. Lewis, 1954; Seers, 1982: 74; Arndt, 1989: 57). The path to industrialisation was not just desirable; it was also allegedly unavoidable, a natural progression on an evolutionary path to progress from which there were no short cuts (Hyden, 1983). This mantra was so entrenched that many developing countries adopted an 'import substituting industrialisation' policy to set up and protect infant local manufacturing industries, hoping that they would eventually graduate and mature into internationally competitive firms (Hoshino, 2001). Most often, politically entrenched inefficiencies, an inability to tap export markets and state bureaucracy turned such projects into glaring and expensive failures, even in large economies (e.g. Thorp, 1992).

Admittedly, some of the world's smallest jurisdictions did bravely attempt to follow their alleged destiny into industrialisation: for example, the Seychelles, an archipelago with a total population of around 80 000, set up two plastic manufacturing plants which ended up producing 'inferior, unprinted containers for Rs 0.25 and Rs 0.36, whereas imported printed containers, duty paid, cost Rs 0.19' (Kaplinsky, 1983: 205; 'Rs' stands for Rupees, the Seychellois currency).

A different development path

In practice however, economic development has unfolded rather differently in the world's smallest jurisdictions.

Profitable import substituting industries have largely proved very difficult to set up on small islands because of the constraining and cumulative effects of diseconomies of scale, market fragmentation (especially in archipelagos), limited labour supply and skills, high costs for energy and raw material, few local inter-industry linkages, inadequate access to technology and investment capital and – once in place – massive political pressures to maintain inefficient industries as heavily subsidised and protected white elephants (Selwyn, 1975; Ramsaran, 1989: 1; McKee and Tisdell, 1990: 18; Connell, 1991, 139; Fischer and Encontre, 1998; Prasad, 2004: 45–48).

The establishment of viable export-oriented industries has proved just as exasperating: compounded by precarious environmental conditions, fluctuating commodity prices, inadequate access to markets, and high labour and unit transport costs (Jalan, 1982; Dommen and Hein, 1985). Of course there are exceptions: there are a few examples of remarkable success in export-oriented manufacturing on the back of jurisdiction-specific institutional opportunities: such as export processing zones in Mauritius (Subramaniam and Roy, 2001); and garment manufacturing for the US market in the Commonwealth of the Northern Marianas, where cheap Asian migrant workers can be recruited outside the US visa border while the production occurs inside the US customs frontier (Bertram

and Poirine, 2007: 333–334). Otherwise, limited success has been achieved in geography-sensitive operations (mining of gold, phosphate, nickel); or in cash crops (sugar, copra, bananas, pineapple, tea, cocoa, nutmeg) – but these activities occur in the primary and natural resource extraction sectors which involve limited local value added and high dependence on global market forces; moreover, they do not correspond to manufacturing activities. Consider the Solomon Islands by way of an example: the export of timber (the main product), palm oil and kernels, copra, cocoa and fish constitute the bulk of the country's trade – all cash crops with low value added. Other exported products which are traded in relatively smaller quantities include outboard canoes, furniture, wooden carvings . . . and beer (Encyclopedia of the Nations, 2010).

Overall, the general understanding of the development prospects for small island economies in some academic and policy quarters remains that of a chronic condition of vulnerability, based on features such as remoteness from key markets, diseconomies of scale, imperfect local competition, openness to the vagaries of international trade and prices and limited diversification of economic output (Briguglio, 1995; Atkins *et al.*, 2000; Crowards, 2000).

Moreover, as if this tragic picture is not enough, a heightened pace of transition to a knowledge-based economy presents still more bad news for small islands. Global competitive trends are leading to a greater concentration of resources, or clusters *à la* Michael Porter (1998), associated with the modern economy (high-tech industries, flexible IT-skilled labour pools, research and development institutes, ICT-specialising universities) in large, urban centres and metropolitan areas – robbing the small islands on the periphery even of the hope of development (Amin and Thrift, 1994: 14–15). Island depopulation, already a real threat, is exacerbated by the dynamics of the contemporary knowledge economy (Polèse and Shearmur, 2002; Baldacchino, 2008).

That only a few small island economies fund their export requirements from merchandise export earnings is today a 'familiar, stylized fact' (Bertram and Poirine, 2007: 342). Income from abroad, in the case of small island economies, is much more likely to come from aid disbursements, tourism receipts or migrant remittances. Indeed, economic success on small islands often means an ability to tap value added generated elsewhere via rentier income: for geostrategic military or financial services and real estate; fishing, berthing and landing rights; bunkering and transhipment, along with tourism and inward capital flows via individuals (remittances, sustained by relatively large and affluent diasporas), organisations and/or governments (aid, sustained by active para/diplomacy) (Bertram and Watters, 1985; Kakazu, 1994; Baldacchino and Bertram, 2009).

A case for some optimism

And yet, within this scenario, nurturing successful manufacturing firms in small economies is certainly possible. Manufacturing products which benefit from locally available, raw material input and association can be viable business ventures, especially if there is a strong branding of the product with the respective locale and its associated characteristics: just think of a few examples from the food and beverage category: Italian pasta, French Champagne, Greek ouzu, Japanese sake and Scotch whisky (see Baldacchino, 2010). The chances of business success are increased with a free-riding on the tourism industry and limited local firm rivalry (Fairbairn, 1988; Baldacchino, 2005; Punnett and Morrison, 2006). Another form of 'free riding' – on those foreigners working within a former colonial administration or a military establishment – could have been the historical antecedent from which the acquired taste for beer may have been originally derived. Such would certainly help to establish a local beer market. Goods – and services – can be provided by entrepreneurs based on small islands to captive, privileged markets: in the sense that these markets comprise centres of consumption which have a disposition to purchase goods from the island site, not primarily because of any inherent quality or price competitiveness of the goods or services; but because these are marketed as *belonging specifically* to that distinct location (Fairbairn, 1988: 75 my emphasis). Through such a 'marketing of identity' (Fairbairn, 1988), the structural disadvantages of the added costs of production and diseconomies of scale are somewhat neutralised, com-

pensated for by the captive, special and differentiated, 'niche' nature of the market.

Specialised niche markets are especially attractive to producers based on small islands because: (i) they are small (they are often not of interest to larger mass producers); (ii) they are of such a size that small producers can meet their demand; and (iii) once in operation, entry costs for potential competitors are prohibitive, leading to a condition of 'natural monopoly' (e.g. Tisdell, 2006: 10), which translates into a viable form of protectionism. Such markets are based on differentiation, not cost/price. Which is why 'smaller producers with relatively high unit costs (of production, of distribution, of marketing . . .) can be competitive; and sales of small numbers at high margins can be profitable' (Punnett and Morrison, 2006: 351).

There are two main types of such 'privileged export' niches: one is the transitory tourism market. Island tourists are typically richer than resident consumers, having managed to make it to relatively remote and more expensive destinations. Once there, they may be swayed to indulge in local food or drink sampling, savouring a more authentic island experience by appreciating and adopting local consumer habits, albeit for fun and for a short time: especially if they appeal to the drifter and geocentric oriented tourist types that are out to find and trial such local uniqueness (Perlmutter, 1969; Cohen, 1972). The transaction is also one which allows the local entrepreneur to avoid packing and transportation costs or foreign currency exchange fees on the goods being sold: these costs are often glibly incurred by the tourist purchaser.

One component of the tourist market – and one more likely to see long stay and repeat visitation – consists of former residents and their relatives. This leads us to the second aspect of the 'privileged export' niche: the diaspora of islanders and their families living abroad. Along with seashells and postage stamps, emigrants are already part of the unlikely exportable commodities of small islands. They constitute a deliberate loan of human capital, a critical component of the '*trans*-national corporation of kin' (Bertram and Watters, 1985: 499, my emphasis) which contributes significant remittances to those families left stranded at home. They may be tapped further: both as a lucrative market for exported 'genuine island products'; as well as the transposed sites for productive, island-led investment. Indeed, what may prove uneconomical in the small island setting may prove worthwhile in, and for, those metropolitan locations where the number of immigrant islanders may far exceed the number left at home and where *per capita* purchasing power is typically much higher (Lowenthal, 1987: 41–43; Watters, 1987: 36–38; Spickard *et al.*, 2002).

In this exercise, islands start with a net advantage: the word 'island' is one of the most heavily romanced, certainly in the English language. Along with the forest, the seashore and the valley, the island is a natural environment 'that has figured prominently in humanity's dreams of the ideal world' (Tuan, 1990: 247). The association with mystery, fantasy, redemption, paradise and refuge is a long-lasting one that continues to be exploited by global media (such as *Fantasy Island, Blue Lagoon, Castaway, Lost* . . .), literature (such as the Robinsonnade genre, starting with *Robinson Crusoe*, then *Swiss Family Robinson*, *The Mysterious Island* . . .), and the global tourism industry. Islands suggest themselves as empty spaces, waiting and wanting to be possessed and tinkered with. They enjoy a lingering 'charm', 'lure' and 'fascination' (Weale, 1992: 93; King, 1993; Baum, 1996), ideally suited to tempt and taunt visitors desirous of refreshment, salvation or reinvigoration. The island is so thoroughly seeped in 'emotional geography' (Stratford, 2008) that it is perhaps impossible to disentangle its 'realities' from its 'dreams' (Royle, 2001: Chapter 1), its geographical materiality from its metaphorical allusions.

And so, islands have been branded long before the concept found its way into management schools and contemporary marketing discourse. Already in the 10th century, Eric the Red, an early settler on a large and remote island, is reported in old Icelandic sagas to have named that new territory *Greenland* in order to attract other settlers there. Five hundred years ago, it was claimed that one could harvest cod from Newfoundland waters simply by lowering a basket into the sea. Perhaps we can consider islands as prototypes, targets for some of the

earliest systematic attempts at branding: advancing, and romancing, a meaningful and desirable difference in a world crowded by competitive categories (Martin, 1989: 201).

Thus, there are locally available species, craft or material with high levels of local input that are already deeply wedded to the enduring and endearing, iconic image of the island on which they are based. Think of: Barbados and Jamaica rums, Fair Isle sweaters, Fiji water, Gozo cheese, Guernsey cows, Islay whiskey, Madeira port, Prince Edward Island potatoes, Shetland ponies, Texel sheep, Trinidad hot sauce . . . the name is synonymous with the place, and all that goes with it. In the Pacific, it is perhaps the region as a whole – with its trade mark indigenous history and culture – that remains best branded, rather than its constituent members, whose diversity is blurred and lost as a result (e.g. Hayward, 1998; Royle, 2001: 193). This branding baggage is likely to have persisting and long-term benefits: in terms of reputation, customer loyalty, visibility and international recognition. In fact, a key development trajectory for island economies would be to assess the ability to craft a robust and sweeping image for a particular island jurisdiction that supports, and is supported by, its own products and services, while expanding the repertoire of the latter. Such holistic 'brand consolidation' (e.g. Knudsen *et al.*, 1997) can be extremely effective because it provides consistent market signals and an accumulation of shared experiences across product or service categories. It also offers an opportunity to rationalise marketing costs and support profitable brand growth and expansion.[4] Note that many of the local products mentioned above are beverages. Speciality wines and spirits, teas, coffees and beers are often made, at least partly, from local ingredients.

The case for local beers

Local beers lend themselves very well to this exercise in brand consolidation. They connect easily with a captive domestic market, especially where importing already bottled beer may be very expensive. They connect easily with visiting tourists, who may typically enjoy sampling local beverages. Their authenticity and uniqueness is enhanced when they explicitly connect or associate their product to the island on which they are based[5]: not just in their choice of name, but in the very process of production.

This association between product and island place tends to occur in two main ways. The first is by the explicit inclusion of home grown raw materials into the product mix.

> Beesting, a pale ale from Norfolk Island, is '. . . brewed using unrefined Norfolk Island honey' (http://beer.nf/products.htm).
>
> Bornholmer Bryg, already referred to above, is an unpasteurised and unfiltered beer that uses water 'from the bedrock of Bornholm' (http://www.svanekebryghus.dk).
>
> Jamaica's lager beer, Red Stripe, is brewed using 'water from the [local] Liguanea alluvium aquifer' (http://destinationbeer.com/beers/red-stripe).
>
> The 'fabulous tasting natural spring water' of the 'nature isle of the Caribbean' finds its way into the production of such Dominica local beers as Kabuli (http://www.kubuli.dm/).
>
> At the Kono Brewery, in Hawaii, '[w]e are fortunate to have an excellent source of pure Hawaiian water that lends a distinctive, full flavour to our beers' (http://www.konabrewingco.com/brewery).
>
> The brews produced by the Quidi Vidi microbrewery in Newfoundland, Canada, use glacial 'iceberg water' sourced from the icebergs that regularly float by that island's coast in spring (http://www.quidividibrewery.ca/brands.php).
>
> A brewery in Greenland is producing beer using water melted from the ice cap of the vast Arctic island. The brewers claim that the water is at least 2000 years old and free of minerals and pollutants (BBC News, 2006).

The second is by associating the product with an all-round, 360° experience, one that appeals to as many of the senses as possible; grounding and framing it in a much wider, appreciative and multi-sensorial stance. All the senses are brought to bear, in a ritualised behaviour that speaks to collegiality, and completed triumphantly by the sound of clanking beer mugs, and jovial beer toasts:

> Here,
> With my beer
> I sit,
> While golden moments flit:
> Alas!
> They pass
> Unheeded by:
> And, as they fly,
> I,
> Being dry,
> Sit, idly sipping here
> My beer. (George Arnold, n.d., *Beer*)

Moreover, a beer can be romanced and mythologised, subtly or more explicitly associated with its island's distinct history, tradition or endemic features of the natural environment and culture.[6] Here are some examples from the Pacific:

> Vailima, Samoa's premier beer, is so named after the small mountain village where Scottish novelist and travel writer Robert Louis Stevenson lived (http://apapaonline.org/APAPAnetwork/Meeting_Reports/files/Auckland_Sept04/Alcohol_Marketing_Samoa.pdf). Vailima means 'water from the hand' and is from an ancient legend of someone carrying water in his hand to save another's life (Beers in Paradise, 2004).
>
> Matutu Brewing Company is based in Vaka Takitumu on the island of Rarotonga. "We are two families of patriotic Cook Islanders aiming to produce premium beers and beverages that will be iconic to the Cook Islands' experience" (*Matutu* means emotional strength) (http://www.matutubeer.com/).
>
> Kona – which means lady – is Hawaii's premier beer brand. It seeks 'to create complex, full tasting beers with a relaxed style and charm that expresses our Hawaii based roots' (http://www.konabrewingco.com/beers).
>
> The logo of Hinano, 'the beer of Tahiti', sports two very local, and well recognized icons: a vahine (a Polynesian woman, as immortalised by Gaugain's paintings) and a motu (a coral islet). Both this beer's glass bottles and aluminium cans are fancied as collectors' items (http://www.hinano.com).
>
> Drinking Steinlager, New Zealand's premier export beer, may transport the drinker '. . . to a New Zealand mountaintop, such is the clear crispness of the taste' (http://australianfood.about.com/od/alcoholic/a/steinlager.htm).

And here are other examples of 'brand romancing', this time from the Caribbean region:

> Kalik – the name of the local beer that commands half the Bahamas market – is the sound made by cowbells, a key instrument used by the bands in the Bahamas annual Junkanoo Festival held during the Christmas and New Year's season (http://www.bahamasgateway.com/kalik_beer.htm).
>
> Brewing Operations of the North Rock Brewing Company in Bermuda are, since 2007, located in the Victualling Yard of the historical Royal Naval Dockyard (http://www.northrockbrewing.com/index.php?p=1-4_About).
>
> When Jamaica gained independence from Britain in 1962, a columnist in *The Daily Gleaner* wrote that 'the real date of independence should have been 1928, when we established our self-respect and self-confidence through the production of a beer . . . ' (http://www.caribbeanfoodemporium.co.uk/dgredstripe.htm).
>
> On the Cayman Islands, the Caybrew logo is a graphic representation of the Cayman Islands' national tree, the Silver Thatch Palm, and three red stars depicting each of the country's islands (http://www.beerinfo.com/index.php/pages/cayman.html).

This strategy may appear common sense, and there is nothing to lose and all to gain in adopting it. And yet, not all the local breweries in the region do so. Take for example, the Royal Beer Company in Tonga, producers since 1987 of Ikale – which means eagle – 'The taste of Tonga'. Here, the emphasis is on similarity rather than distinction:

> Here in Nuku'alofa, Kingdom of Tonga, the brewing procedures are essentially the same as those used for many years . . . (http://www.royalbeer.to/manufacturing.html)

Moreover, tours of the brewery – perhaps inclusive of a 'Brew-seum'[7] – provide an opportunity for witnessing the production process first hand, and the eventual sampling of (a now, more familiar) product can sublimate the process of manufacturing into a service (and emotional) experience:

> Cooks Lager is produced in a back room at the Bond Liquor Store in Avarua (Rarotonga) and the brewmaster will show you around if you arrive close to 2:00 pm on a weekday other than Friday and ask nicely (Small Guide Travel, 2009).

This experiential leap can cause substantial changes in consumer behaviour; the materiality and mundane nature of the beverage is transformed into a *desideratum*, a *memorabilium*, a souvenir of (one's experience of) the island:

> In this way, labour-intensive production . . . (and resulting higher production costs per capita and diseconomies of scale) is actually transformed into a key selling asset, riding on the bandwagon of the island's appealing profile (Baldacchino, 2002: 256).

And yet, not all breweries are equally accessible. From the episode below, you might think that some producers are not too keen to sell their beer:

> Discovering the Savusavu brewery in the port city of the same name [in the Fiji Islands] was a pleasant surprise. We had no idea it existed until we saw it on tap in our hotel . . . . There was no tour available and the two brewery workers were not very forthcoming. They did tell us that they had been in business for about a year and produced 1500 litres of Savusavu natural beer a week that is only available on draught locally. They were not inclined to give us a sample . . . (Beers in Paradise, 2004).

Dangers

It is important to note that island beer factories can buck the trend against the dearth of any significant manufacturing investment from, or on, small island economies. Nevertheless, such success is no foregone conclusion. Various attempts to set up such businesses have failed: among the main reasons for this failure is a felt need for: (i) proper business acumen (which includes knowledge of beer brewing); (ii) the right blend of raw material inputs; (iii) a good and steady supply of good quality water; and (iv) a marketing strategy to tap the right 'niche' markets.

Moreover, locality and distinctiveness may be necessary, but they are not sufficient characteristics: they are no substitute for excellence, especially when discerning customers, local or tourist, can freely choose between a locally produced beer and an imported, global substitute – often enjoying higher social status and perhaps even produced under licence by the same local beer company. For example, the largest of three micro-breweries on the French island territory of New Caledonia produces *Number One*, a local lager, but also distributes the imported Heineken, by whose producers it is owned (Heineken International, 2010). Moreover, in various small and remote islands – such as Australia's Lord Howe Island – local beer production took off as a safeguard against infrequent ship deliveries. As a result, local alcohol was often a poor substitute.[8]

A typical contributor to success may be the involvement of expatriate entrepreneurs or indigenous entrepreneurs who have spent some time away: both of these can therefore command some knowledge of the outside world, its tastes, its competitive business environment, its diaspora communities, and the potential customers, and competitive products, for island beers.

The larger, global corporate businesses can also not be discounted from venturing into niche markets. They also have the ability to develop specialised designer brews that seek to appeal to specific market niches, posing as a real threat to local products.

Island breweries can also fall victim to their own success. Nevertheless, many successful breweries start as private ventures and stay private even though they may sense that they could go public to finance significant growth. Many successful local breweries remain faithful to their association with locality – they start and stay regional and grow slowly, if at all.

Brand consolidation mishaps

Meanwhile, the smooth piggy backing of the island beer brand with the island brand is hardly automatic and not without potential mishap. Three broad dilemmas can present themselves here.

The first is a mismatch between how the island may wish to depict itself and the branding of the island beer. Such strategic co-branding works better if, say, a locale wants

to project itself as a fun-loving touristy destination, or one peddling a pub, beer loving, culture; in such cases, the island beer brand could ride on the cachet of the supportive island 'umbrella' brand, or even vice versa, for synergetic benefit (Knudsen *et al.*, 1997: 192). (Perhaps the Republic of Ireland, with at least 16 breweries, does this best.)

Second, a regional or nationwide brand may be more powerful than a local, island based one. It is fairly difficult to single out, say, Piton – a lager beer from St Lucia – in the context of the very-well branded Caribbean region. And a local brew can be easily lost and drowned in the noise of other national brands – Denmark, for example, has at least 110 breweries (http://beerme.com/region.php?163). All the more reason for a micro-brewery to concentrate on the specificity of its locale and not to give way to the temptation to go for reckless growth. A similar problem affects archipelagic jurisdictions where one particular island brand may find itself competing with a brand from an adjacent island, belonging to the same political territory.[9]

Third, watch out for fake attributions. An island beer may be less than what it claims to be. Many so-called 'island beers' are produced elsewhere; others, while produced locally, may be owned by off-island companies, and so are less local than they appear. For example:

> Tiger Beer, the most popular beer in Singapore, *is* locally brewed but it is owned by Asia Pacific Breweries, a major player in the South Pacific beer market. The majority shareholder is Heineken, with a 42.5% shareholding (http://www.apb.com.sg/brand-KeyBrands.html).
>
> Made by Vanuatu Brewing, Tusker is the local beer and preferred brew. . . . [A] lot of work has gone into producing the 'bia blong yumi' (the beer for us). Pripps from Sweden owns 50% of the business . . . (Vanuatu A-Z Visitors' Guide, 2010).
>
> Island Summer Ale, from the Virgin Islands, is – according to its label – actually brewed and bottled by Shipyard Brewing out of Portland ME, USA (http://thebrewclub.com/2009/07/27/beer-review-virgin-islands-brand-island-summer-ale/).

As an unsuspecting tourist 'beer-hound' comments:

> I had purchased a can of 'Raro – Cook Islands Beer' in another liquor store. Upon closer inspection, I discovered the beer had been brewed and canned in New Zealand (Beers in Paradise, 2004).

Co-branding initiatives can face other risks. These include: (i) a tendency to have a dilutive effect, especially in the short term, since the exercise hopes to spreads the credit for a positive experience across two or more brands where normally there is only one; (ii) while the point of the exercise is synergy – the whole should be greater than the sum of the constituent parts – there is to some extent an unavoidable reliance on the existing equity of one or more other brands; (iii) while many brands share similar characteristics, no two brands are exactly alike; and (iv) brand complementarity is important: thus, co-branding ice cream and root beer appears, for example, as a 'natural' (McKee, 2009).

Epilogue

> You can't be a real country unless you have a beer and an airline – it helps if you have some kind of a football team, or some nuclear weapons, but at the very least you need a beer – Frank Zappa *in* Zappa and Occhiogrosso (1990: 231).

Frank Zappa is perhaps, best not to be taken too seriously. But beers can be or become iconic, flagship brands for the countries and economies with which they are associated. Like other premier beverages, signature foods or dishes, a local beer can serve to develop a multi-sensorial connection between product and consumer, usurping its mundane trappings as just another shelf product, and is thus more likely to seal a bond that may survive in the long term. Like wine, its long-standing competitor, beer is not just beer anymore: consumers of (especially) micro-brewed beer are increasingly compared with premium wine drinkers in their sophistication of taste. Such changing tastes and preferences of beer drinkers makes the micro-brew industry an excellent opportunity for entrepreneurs to profitably showcase their creativity.

In spite of the powerful trends of globalisation – or perhaps *because* of them – there is an emergent cultural and consumer interest in

locality and identity. Even global brands strive to adapt to local peculiarities in order to protect or expand market share. This occurs in part recognition that global industries produce, consolidate and thrive on difference, variety and 'multiple identities', apart from similarity (Foster-Carter, 1978; Massey, 1994: 153). Like other products that have a natural disposition for association with the local – from constituent raw ingredients to history, from tradition to culture – beer can experience, and benefit from, such a renaissance. Local breweries, particularly but not exclusively in the island Pacific, can benefit handsomely from this development and, in turn, they can contribute to sustainable socioeconomic development: building synergies with tourism, catering and other local industries; providing business opportunities for the local entrepreneurial elite; and championing the development of local identity/ies; apart from creating all-year-round employment and nurturing viable export products. The alleged tyranny of geography can be overcome. Perhaps most island territories could, and should, have their own beer.

Let's drink to that . . . responsibly.

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Notes

1 Anguilla, American Samoa, Falklands, British Virgin Islands, Ascension, St Helena, Niue, Tokelau are not listed as having a brewery.

2 Bahrain, Brunei, Comoros, Mayotte and the Maldives are not listed as having a brewery; they all have primarily Moslem populations. The drinking of alcohol is also banned on Pitcairn Island, where the population is Seventh Day Adventist.

3 For example, drunkenness is a widespread problem in the Kiribati archipelago and this is dealt with on some islands by the prohibition of alcohol (Culture of Kiribati, 2009). Alcohol consumption has been a 'public health problem' in parts of Papua New Guinea (Marshall, 1988).

4 For example, Skärgårdssmak is a network of local restaurants, food stores, food producers and handicraft artists from the Åland Islands, providing local food and handicrafts of top quality (but, apparently, not beer or any other beverage). http://www.skargardssmak.com/start.con

5 Cook's Lager is feted as 'Made right here in Rarotonga' (http://www.beercoasters-oceania.com/Cook%20Islands%20Rarotonga%20Rarotonga%20Breweries.htm). The sound-bite for Goddard's Beers is 'Isle of Wight born and brewed'. It is also quite common to have the name of the island, or its stylised rendition (as in a map outline, or its coat of arms), on the beer bottle or can.

6 An association with cultural and sport events – as via corporate sponsorship – is common but not always considered appropriate, since the promotion may be seen to be unduly encouraging youth towards alcoholic drink. And, by the way, Mythos is a Greek beer brand: http://www.mythosbrewery.gr

7 As available at Banks Beer Brewery, Barbados- http://www.barbadosbarbados.com/Banks-Beer-Tour.cfm?linkId=2

8 I am grateful to Philip Hayward for this information.

9 This is well illustrated by the case of whisky and Scotland. Various distillers compete for market share and seek a measure of differentiation; but they also complement each other in providing whisky trails, and all benefit from co-branding with the marketing of Scotland as a whole.

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