

INTRODUCTION.

The Cacao Industry of Trinidad had enjoyed an unrivalled period of prosperity from 1870 to the years immediately following the Great War. Since 1921, however, there has been an almost continuous and heavy decline of cacao exports from this island. This was due in part to the general world depression, and to the continuous downward trend of cacao prices in particular, but it can also be attributed to the internal organisation of the Industry. The average price of cacao actually fell from \$13.90 per fanega for the period 1910-20 to \$6.67 for the years 1930-36, being little over half that of the former level.

Direct competition with peasant producers in West Africa, who produced cacao at a much lower cost than was possible by the planters in Trinidad, was largely responsible for the initial decline in prices. Although this cacao was inferior in quality to that grown in the West Indies, recent advances in manufacturing processes have annulled this defect, and it is the cacao produced in the old world, which now governs the price level. It is for this reason that a rise in prices to anything approaching former levels cannot be anticipated. It is generally considered that specific areas in West Africa have now reached peak production and a decline in yield can be expected in future years, but any tendency for a rise in price level, resulting from the development of new markets, would be mitigated by the expansion of cacao growing to at present undeveloped land.

In Trinidad the prosperity of the early years had blinded cacao growers to defects in their organisation and to the steady deterioration of their estates. During the years of prosperity planters had heavily mortgaged their estates to finance further expansion. During

the depression in the Cacao Industry since the war the strain of interest charges to meet these mortgages resulted in serious neglect of cultivation and diminished efficiency.

The decline in cacao exports resulted from a number of causes. The fall in price level and the increase in costs of production led to the abandonment or conversion to other crops of certain hopelessly unproductive areas. The increasing age of fields, and neglected cultivation resulted in a decline in the yields of individual fields. The appearance of Witches Broom Disease has aggravated the situation, has hastened the abandonment of production on some areas, and is a permanent menace to others. Although the decline in output of Estates can be partly attributed to the decreasing acreage under cacao, the downward trend of yields per acre gives rise to grave concern amongst those directly interested in the Industry.

In 1936 the Government started a subsidy scheme to tide the planters over the depression and to assist producers in increasing the efficiency of their estates. It has already been stated that a rise in prices to any great extent cannot be expected, and although the subsidy has temporarily eased the planter's financial stress, it has not solved the problem of declining yields. The revival of the Cacao Industry in Trinidad must depend on the continuous production of high quality cacao, on arresting the decline in yields and on increasing the yields per acre far above the present standards.

There are at the moment three courses open to planters for improving their Estates, either the continuance of traditional methods of cultivation, complete replanting or rehabilitation. Shephard (24) states that "...the belief expressed by many planters, that yields per acre will be restored to their old level by a resumption of fields as the supplies have not yet come into bearing, but

of traditional methods of cultivation, is based on erroneous premises." In point of fact these obsolete methods make no adequate provision for replacing the increasing number of unprofitable trees in a field.

Replanting consisting of the removal and replacement of every shade and cacao tree involves an immediate loss of revenue and increase in expenditure, which few planters could contemplate on any extensive scale. Rehabilitation on the other hand consists of systematic replacement of cacao trees considered incapable of earning profits, and the retention of those trees giving satisfactory yields. Under this system revenue is maintained and the increase in expenditure is not prohibitive, so that it could be undertaken on an extensive scale. At the present time Rehabilitation seems to offer the only hope of restoring some measure of prosperity to the Cacao Industry of Trinidad.