

ABSTRACTRehabilitation of the Cocoa Industry
in Trinidad and Tobago

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In this study, the problem associated with the decline of the Cocoa Industry of Trinidad and Tobago was identified and reasons for the decline were discussed.

The Government of Trinidad and Tobago has proposed National Rehabilitation Programme for the Cocoa Industry which was formulated in 1978; as an instrument aimed at doubling cocoa production on existing acreage and to transform the Industry into a viable one.

The major objective of this study is to examine the policy proposals outlined in the National Rehabilitation Programme (1978) in order to determine which strategies are suitable for achieving the viability of cocoa production. To meet this objective, a model was constructed that closely represented the existing system of cocoa production, using data from a survey of farms in the counties of St. Andrew/St. David; carried out as part of the study. The model was then used to simulate the consequences of the various policies. The simulated results were then subjected to financial analysis using cost-benefit analytical techniques in order to determine viability. The criteria chosen to judge the desirability of policy proposals are discounted cash flow measures - Net Present Value and Internal Rate of Return.

Conclusions based on simulated results indicate that two of the policies/strategies outlined in the National Rehabilitation Programme (1978) resulted in the viability of cocoa production and so did achieve stated development objectives. Therefore, in terms of the hypothesis, these two policies/strategies indicated that an increase in the level of subsidies would impact positively on crop yields thus enhancing the viability of cocoa production.