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The Ethical (Or Not So Ethical) Story Behind Your Bar Of Chocolate: The Untold Tale Of A Distressed Ghanaian Farmer

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THE ETHICAL (OR NOT SO ETHICAL) STORY BEHIND YOUR BAR OF CHOCOLATE



<http://sites.psu.edu/siowfa16/2016/10/18/is-eating-two-chocolate-bars-a-day-healthy/>

THE UNTOLD TALE OF
A DISTRESSED
GHANAIAN FARMER



<https://www.cnn.com/2014/02/27/business/freedom-cocoa-nomics-cocolate-bar/index.html>

NADIA AYENSAH

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PART I

INTRODUCTION

Cocoa is a very vital part of the normal running of daily life in the world. It is used in the production of several products such as chocolate, drinks, soap, cocoa butter and cocoa powder. We use these products on a daily basis, but do we even know the story behind the history of cocoa, its production and its distribution? According to *Make Chocolate Fair*, cocoa mainly grows in tropical regions, and seventy percent (70%) of the world's cocoa is produced in West Africa. Within West Africa, Ivory Coast and Ghana are said to be the leading producers of cocoa, with both countries producing a whopping sixty percent of the world's cocoa. Because of the high demand for cocoa products and the vital role West African cocoa-producing countries play in the production process, it will be expected that most of the revenue made from cocoa products will go back to these countries. However, according to *Ways to Cap*, this is not the case—West African cocoa-producing countries only receive 5.5% of the revenue made from cocoa products, as opposed to the 15% percent that cocoa-importing countries receive. In this paper, I will address the ethics of the cocoa production in Ghana with regards to government involvement.

Believe it or not, although Ghana is one of the leading producers of cocoa in the world, the cocoa plant is not native to Ghana. According to *COCOBOD*, the cocoa plant was initially brought to Ghana by Dutch missionaries in the early 19th century. It was however made popular by a blacksmith named Tetteh Quarshie who brought back some pods from now Equatorial Guinea, where cocoa was produced on a large scale using slaves as labor. It is said that the first export of cocoa from Ghana was in the 19th century, and after that, the government took over the trade in the

1930s under the notion that the government could better regulate cocoa prices to protect farmers. The Ghana Cocoa Board (COCOBOD) was then established in 1947 to regulate all cocoa affairs in the country since the cocoa market was rapidly growing, and Ghana was caught right in the middle of it.

Looking at the fact that Ghana is the second largest producer of cocoa in the world, it is not surprising that cocoa production plays a key role in the country's economy. According to COCOBOD, the cocoa industry contributes to the success of the Ghanaian economy by employing approximately 800,000 farm families and generating approximately \$2 billion in foreign exchange for the country. Out of the ten regions in Ghana, six are big on cocoa production, hence catering to the majority of Ghanaian citizens. The Ghanaian government makes most of its cocoa revenue from the cocoa export tax as well as the cocoa producer tax it charges the farmers. Although taxing farmers and other players involved in the cocoa production process is an effective way for the government to earn its revenue, such practices can backfire and discourage farmers from producing cocoa altogether. In this paper, I will outline the cocoa production process together with all factors that play a role in the process and argue that the cocoa production process as a whole is not ethical, and the Ghanaian government and the cocoa processing companies are to be held responsible for the dilemma of cocoa farmers.

PART II

COCOA PRODUCTION IN GHANA

How is this chocolate-producing pod produced? Well according to the *International Cocoa Organization*, the cocoa tree takes approximately three to five years to bear fruits. The cocoa plant

is very delicate, and hence needs to be planted among taller trees so as to be shielded from the wind and direct sunlight. After harvesting the cocoa pods, they are then split open and the seeds taken out to ferment over six to seven days under banana leaves with two to three turnings. The seeds are then left to dry for another seven days in the sun before being delivered to Purchasing Clerks who would then assess the quality and quantity of the cocoa beans. According to Shashi Kolavalli and Marcella Vigneri in their work titled “Cocoa in Ghana: Shaping the Success of an Economy”, “drying beans slowly on raised platforms is very important for the quality of flavor because it quickly decreases the acidity level of the beans” (207). They also state that the quality of the beans also depends on “collecting properly fermented and dried beans from smallholder farmers and promptly shipping them to avoid the buildup of moisture, mold, and free-fatty acids that can rapidly deteriorate the quality of the bean.” (207). Before cocoa farmers reach the final stage of turning over their produce to Purchasing Clerks for inspection, there are several major hurdles they have to jump. Farmers have to worry about issues right from the onset of production to distribution such as pests, diseases, stunted growth, intense dry seasons and overproduction. The difficulty in growing cocoa on a large scale greatly affected the Ghanaian economy over the years. According to *PRI*, “forty-five million trees — about 10 percent of Ghana’s cocoa trees — are infected with swollen shoot.” When all the hurdles mentioned above have been jumped by cocoa farmers, they come face-to-face with yet another major difficulty—passing the quality check.

LIFE AS A COCOA FARMER

Cocoa farms are usually family owned, and are usually the main source of livelihood for families that own such. In order to get the details on cocoa production from the farmer’s viewpoint, I interviewed my father, Thomas Ayensah, who was fully immersed in the production process, as my grandfather was both a COCOBOD District Officer and a cocoa farmer. Speaking fondly of

his childhood memories, Mr. Ayensah touched on how it was the norm for the adults to tend to the cocoa farms every day from dawn to dusk and their children to join them when school was not in session. Even when I asked about injuries Mr. Ayensah sustained while working on the cocoa farms, there was never a streak of regret as he told me the stories behind each machete scar. This piqued my interest and prompted me to touch on the issue of child labor, as from his narration, children working on the farms were well below the legal working age. A familiar chuckle came from his mouth as he repeated the adage by which I was raised—we never saw this as a burden; in fact, we were honored to be given the opportunity to assist our parents. Mr. Ayensah recalled:

“Working on the cocoa farm was our definition of fun—over the weekends and on school breaks, my five brothers and I would wake up early in the morning, sharpen our cutlasses and head off to the farm. We would make our breakfast, lunch and supper in-between working sessions, and those were probably the best meals ever as we harvested our produce on the farm and cooked it immediately.”

Back then, there was no notion of child labor; or at least nobody saw the opportunity to assist one’s parents to be an abuse of any sort. He recalled that the time spent on the farm was almost a family bonding experience—they would harvest produce from the personal garden they had started on the farm and use that to prepare three square meals for the day right on the farm. “You have beach houses and vacations overseas when school is not in session, but we had our farms and I can bet you we had more fun than you ever will” said Mr. Ayensah.

SELLING YOUR PRODUCE

When cocoa beans have been sufficiently fermented and dried, they are put under a vigorous quality check before being accepted for export so as to maintain the country’s high

reputation for producing quality beans. According to Kolavalli and Vignerri, this reputation for quality includes the “content and quality of fat, consistency in the size of the beans, and their moisture content” (207). In addition to these physical qualities, the *NJAS Wageningen Journal of Life Sciences* highlights that the International Cocoa market defines quality in terms of biochemical quality, process quality and origin quality. The International Cocoa market is so stringent on its quality standards that “cocoa beans from Ghana have been rejected by Japanese and American markets because they exceeded maximum chemical residue requirements” (Kolavalli and Vignerri 9). In order to uphold the country’s hard-earned reputation, the Ghanaian government tasked COCOBOD with the responsibility of setting quality standards and the various measures to be adopted so that the quality of beans being exported is kept in check. Such measures include having Purchasing Officers determine the level of chemicals allowed in a stack of cocoa beans, providing farmers with fertilizers and spraying programs and creating avenues to educate farmers’ children so as to crack down on child labor. According to Mr. Ayensah, once Purchasing Officers have cleared the produce to be safe, they then pay the farmers according to the weight of the beans they produced.

PART III

PROBLEMS WITH STATUS QUO

The status quo of cocoa production in Ghana yields to many problems such as the normalization of child labor, the increase in environmental degradation, and the increase in the wage gap both between Ghana and other countries and Ghanaian citizens and cocoa farmers. With the issue on child labor, it seems as though custom and the law do not see eye-to-eye—customary

practice makes it seem as though what we term child labor is not a form of abuse, but rather a medium for children to display their gratitude to parents. The labor laws of Ghana, however, do not agree with this. According to the *International Labor Organization*, the Children's Act No. 560 of 1998 defines a child as a person below eighteen years. However, looking back at Mr. Ayensah's narration as outlined above, we can see that the children who had to go to the farm to assist their parents were well below this age. This disconnect between the customary practices and the law is bothersome because Ghana is a culturally rich country, and hence where the law clashes with custom, the law is seen to be nullified. With this then, it makes it seem as though the practice of children being made to spend their days on the farm is not an abuse of any sort. Mr. Ayensah's testimony is also backed by studies conducted by the *Food Empowerment Project* which affirmed that child labor is prevalent in the Ghanaian cocoa production industry, and that this practice has become so menacing to the point that children are being trafficked to be used as cheap labor.

The wage gap between the average Ghanaian and a cocoa farmer is also a major problem in the country now. The amount of profit cocoa farmers receive on their produce, when matched up against the amount of work they are required to put in, is appalling, and this low profit bane keeps pushing farmers lower on the socioeconomic scale. Physically looking at a Ghanaian farmer, one would not suspect how far apart their world is from the world we live in. About five years ago the *Cable News Network (CNN)* put up a video on a correspondent visiting a cocoa-producing village in Ivory Coast where he had the chance to interact with some of the farmers. It was very surprising when the farmers admitted that they had never heard of, seen or tasted chocolate before. This was heartbreaking because these are people who work tirelessly from dawn to dusk every day to produce cocoa, but cannot even afford the product which their cocoa beans were being used for. In fact, according to *Confectionery news.com*, farmers only receive three percent (3%) of the retail

price of a bar chocolate, and many farmers live below the poverty line on less than \$1.25 a day. Looking at the way in which farmers are paid, and taking into account the hectares of cocoa trees lost to pests, diseases and unfavorable climatic conditions, it is not surprising that the cocoa farmer lies at the bottom of the socioeconomic scale.

Another problem that keeps farmers at the bottom of the socioeconomic scale is the constant greed of Purchasing Officers. In my interview with Mr. Ayensah, he narrated how his father, would receive reports of Purchasing Officers buying cocoa beans from farmers at a lower price in anticipation of the government increasing the payment for that particular stock. Here then, if the government did rule to pay a higher price for that particular stock, the Purchasing Officers would then sell the produce they bought from the farmers at a higher price to the government, thereby not allowing farmers to reap the benefits of the government bonuses.

Among countries also, it is shocking to discover that one of the major producers of one of the world's most demanded produce still remains a third-world country. Because Ghana merely produces cocoa beans without processing them, the only receives a small share of the profits on chocolate and other cocoa products. Apart from only being a primary producer, the Ghanaian economy does not earn as much revenue as it should from the production of cocoa because of its competition with other cocoa-producing countries such as Ivory Coast. According to Kolavalli and Vignnerri, Ghana lost much revenue on cocoa production between the 1970s and the 1980s when about twenty percent (20%) of Ghana's cocoa beans was smuggled to Ivory Coast (204). Overproduction of cocoa beans has also been a major problem for the country. Because of the proximity of Ghana and Ivory Coast, it is vital for both countries to communicate about the amount of cocoa each should produce so as to have some control over the price. If this is not done and cocoa beans flood the market, they will be devalued, hence forcing the government to accept a

cheaper payment for what could have generated a lot of revenue. All these factors come together and put Ghana at a disadvantage to the cocoa processing countries.

Another issue with the status quo is the high level of environmental degradation in the country. Because of several factors such as the persistence of pests and diseases, the soil in cocoa-producing areas have been infiltrated with harmful chemicals which are absorbed by all other plants and run I to nearby water bodies which serve as primary sources of drinking water in these areas. Another environmental issue is the inadequacy of fertile soil for cocoa production. According to Kolavalli and Vignerri, farmers resorted to fallowing to maintain the fertility of farming grounds (212). However, due to the increase in production, there is not enough land to shift cultivation to so as to allow used lands to fallow, and as a result, there has been a rapid increase in the loss of soil nutrients, thereby giving rise to desertification.

ETHICS

Who then is to blame for the farmers' dilemma? Who is to blame for Ghana's tragedy? Can the government rightly be involved in the cocoa production process for business? Does the government fulfil its purpose of protecting cocoa farmers when it itself is in the trade for profit? Looking at the surface, my first intuition is to deem the government responsible for the dilemma of cocoa farmers in Ghana. However, we have to be sure to recognize that in a determining the value of an ethical decision, the agent, the act and the outcome have to be considered holistically. In our case, the role of the agent is assumed by three different entities—the farmer, the Ghanaian government, and the cocoa processing companies. Hence, we must determine whether or not only one of these actors can be held responsible for the dilemma of the Ghanaian farmer, or if the brunt of responsibility lies on a combination of these actors working hand-in-hand.

Starting with our first agent, the farmer, we cannot actually blame him for the situation he has been placed in. After all, the farmer does not have much of a say in the outcome of his production process, how much other farmers produce, and how much the government pays them regardless of the amount of cocoa produced as a country. Hence we can clear the farmer of any responsibility in his misfortune of being at the bottom of the socioeconomic scale. Although my first intuition is to put the blame on the government, I do not think it will be fair to let the Ghanaian government take all the blame as it has made efforts to alleviate cocoa farmers' problems through COCOBOD. Although the Ghanaian government is making an effort to assist farmers, I still think they are partly responsible since there is more they can do to assist farmers such as not imposing high production taxes and putting in measures to prevent Purchasing Officers from cheating farmers. In all, I believe that the cocoa processing companies should bear the most responsibility. I take this stance because the government's decisions are dictated by international forces of these cocoa producing companies. If the companies are unwilling to pay for the cocoa beans at a higher price, then the government will also not be able to purchase the beans from cocoa farmers at a higher price. Although this stance might seem absurd on the surface, it is actually the most reasonable stance a rational being can take. After all, these cocoa processing companies can influence government decisions simply by paying reasonable prices for cocoa beans and being strict on their no child labor policies. This is not impossible as companies such as Target have been able to advocate for better working conditions of factory workers by imposing such strict requirements and following through with constant inspections. In a nutshell, I believe the brunt of responsibility should be borne by the cocoa processing companies, and the Ghanaian government to a lesser extent.

SUGGESTIONS FOR CHANGE

Although this practice is already in effect, I will advocate for an increase in the number of middlemen in the cocoa production process. As had been demonstrated by *NBC news* and *Confectionery news.com*, this allows for a positive competition in the interest of farmers. Here, the companies serving as middlemen will sufficiently reimburse farmers so as to keep them as loyal customers while tackling larger social issues such as child labor. According to *NBC news*, cocoa processing companies such as “The Hershey Company, Nestle, and Mars Incorporated have signed an agreement to accelerate actions to make cocoa farming sustainable in West Africa.” With these companies having their direct representatives in Ghana as the Cargill company has set to do, they will be able to effectively supervise the production process, thereby eliminating the chances of chemical contamination of the cocoa, child labor and the cheating of farmers.

I will also suggest that there be more communication between Ghana and other cocoa-producing countries to agree on the maximum produce each country can release into the cocoa market without devaluing the produce. Currently, President Nana Akuffo Addo, the Ghanaian president, has negotiated with the government of Ivory Coast to draw out “The Abidjan Declaration” which seeks to “coordinate production levels, coordinate sales policy, increase local production and consumption, build storehouses and create joint research efforts” according to *Ways to Cap*. With such negotiations in place, the cocoa farmers will be assured that all their hard work in producing cocoa will not end up being of a meagre value.

The last measure to reduce the problems with the status quo in Ghana is to encourage cocoa-processing companies to raise and enforce their production process standards. Just like what companies like Target Corporations, Canon and John Deere Company are doing with their suppliers, chocolate producing companies can also require all their suppliers to enforce a no child labor rule and some sort of equitable benefit plan for farmers.

CONCLUSION

When not presented with facts on a daily basis, it is easy for us to overlook how certain products we use are produced, and the implications our desire to only purchase cheap products on the lives of those involved in the production process. Although I shifted most of the responsibility in this paper to the Ghanaian government and the cocoa processing companies, it is important to know that right under the companies is you and I—the daily consumers of chocolate and cocoa products.

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