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The First World War and the Cocoa Industry in Ghana: a Study of the Hazards of Economic Dependency

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I. Introduction

The First World War (1914-1918) was highly disruptive of the operations of the international economy. The upheavals clearly had a severely destabilizing effect upon world commerce. For instance, it led to the dislocation of existing patterns of trade between belligerents, and between them and their overseas suppliers and customers. It also resulted in the destruction of life and productive capacity in the zone of conflict, the reallocation of resources from peacetime production to the war effort, and the buildup of inflationary pressures at the center of world trade and their transmission to the peripheral economies.

These upheavals of the war on world commerce had far-reaching effects. The war upset gradual economic development in the periphery or dependent economies and caused a great deal of dislocation in the internal as well as the external structure of the economy. This was due to the interconnectedness of the capitalist world economy. According to Ankie Hoogvelt (2001: 68), 'by 1914, the world had known about 155 trading areas; the remaining self-contained areas were transformed into adjuncts of the international market'. Thus, the cycles and waves characteristic of global capitalism exceeded the boundaries of their origin and affected various countries of the world. This was the case in West Africa, which was heavily affected by the Great War in Europe, due to its integration into the orbit of capitalist world economy, through the expansion of commodity production in mineral resources and agricultural and forest products.

Of the entire agricultural export commodities of colonial West Africa, cocoa was the most important and most volatile. However, in spite of the place of cocoa exports in the colonial West African economy, there has not been adequate attention to the impact of the dynamics of the international political economy, such as World War I, on the industry. Available studies on the impact of World War I on dependent economies have concentrated more on their contribution in men of arms, labour, finance, and in raw materials, and have downplayed the impact of the war on the West African commodity trade, most especially cocoa industry. For instance, David Killingray (1978) has discussed the repercussions of the war in Ghana. The participation of 1, 584 Ghanaians and 900 volunteers in the war has also been discussed by *Ghana Index*. James Mathews (1982) has x-rayed the rise of African nationalism as a result of the war. The general effects of the war on shipping lines which invariably affected export trade have also received attention by Rhoda Howard (1978).

Similarly, there has been an avalanche of studies on world cocoa economy as well as West African cocoa industry, with the palpable omission of the state of cocoa industry and trade in Ghana during World War I. At the general level, the botany and agronomy of cocoa have been treated by Jan Van Hull (1914), Urquhart (1955), and Wood (1955). The cultivation and processing of cocoa have also been dealt with by such scholars as Johnson (1912) and Eileen Chatt (1953). Cocoa trade on the world market has received attention from Wickizer (1951), Krug (1964), Weymar (1968), and Robin Dand (1996). The nexus between cocoa and chocolate has been explored by Redmayne and Insull (1948). In the specific case of Ghana, Beckett Horton (1945, 1972), Merrill Bateman (1965), Polly Hill (1970), Gareth Austin (1987), Roger Southall (1975) and Benjamin Acquaah (1999) have examined the rise of cocoa industry in Ghana and its cocoa production, arguing that the industry was a part of the development of rural capitalism and dependency in West Africa. The

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Ghana cocoa marketing has been a subject of scholarly discussions by Kotey (1974) and Amoah (1998). Similarly, Rhoda Howard (1976), Gwendolyn Mikell (1989), and Rod Alence (2001) have examined social conflict and the involvement of colonial state in Africa's open economies, stating that harsh global economic conditions had triggered a wave of colonial protest, including the West African cocoa holdups, and riots in the West Indies. Christer Gunnarson (1978) has dealt with the issues of price, while the influence of socio-economic factors and the impact of the banking system on cocoa industry have also received attention from Mercy Asomoah (2000), Boahene (1995) and Okyere (1989).

It has been noted that, in all these bodies of literature on the world cocoa industry as well as the impact of the Great War on African economies, the effects of the Great War on Cocoa industry in Ghana have either been ignored or downplayed. In particular, there is yet no thorough study of how the First World War affected export staples, most especially cocoa, in British West Africa in general, and Ghana in particular, which was the world's largest producer of cocoa beans during the period of the Great War.

This study, therefore, examines the cocoa industry in Ghana within the international economy during the First World War (1914-1918), with a view to identifying the extent to which the dynamics of the world political economy such as the international trade restrictions of deglobalized capitalism engendered by the Great War affected cocoa industry in Ghana. By so doing, it examines the beginnings of cocoa economy in Ghana to the eve of World War I. It also explores the impact of the war on West African political economy.

It argues that although the quantity of cocoa exported from Ghana increased from 1915, there was no corresponding increase in value due to the restriction of trade and suspension of market as the logic of the economy. The result of this was the abandonment of cocoa farms and economic downturn of cocoa farmers. World War I resulted in depression on cocoa market in the form of declining prices and glutted market and also led to trade dislocation in the form of shortage of shipping. The war also brought about inflated prices, trade restrictions, imposition of export duties on cocoa, and new guidelines in bagging the crop for shipping.

The history of the impact of World War I on the Ghana cocoa industry provides an interesting case study of the impact of the international political economy on dependent economies as well as the consequences of economic dependence on external market.

In this essay, Ghana is used interchangeably with the Gold Coast. This is because during the period under study, the country was known as the Gold Coast. Added to this is the fact that in most of the archival documents used in the reconstruction of this history, the country is referred to as the Gold Coast (or the Gold Coast and Ashanti and Northern Territories). These three entities have now been known as Ghana since the independence of the country in 1957.

a) Sources And Methodology

The study relies essentially on primary sources for its analysis. Public Records and Archives Administrations Department (PRAAD) in Accra, Ghana, and National Archives Ibadan (NAI) in Nigeria provided the data for this historical reconstruction. Such relevant sources as were found in the archives included the Administrative Reports (ADM), Blue Books, Annual Reports, Official Gazettes, and files of the Colonial Secretary's Office (CSO) on cocoa matters and colonial economic policies.

These were augumented by a wide spectrum of interviews with cocoa producers in Mampong and Ekropong during my three-month residency in 2011 at the International Institute of Advanced Studies, Oyarifa, Accra, Ghana. These sources helped to corroborate the evidence derived from the archival materials.

The cocoa economy in Ghana was not only studied in time perspective, to ascertain the dynamics at play, but also from the perspective of political economy for a holistic picture, what Immanuel Wallerstein (2004) has described as 'World-systems Analysis', which has to do with the structuralist approach of fitting phenomena in the larger scheme of things. Scholars have discussed Africa in terms of large scale interaction and integration in which world systems theory and core-periphery models have dominated. Thus, the cocoa industry in Ghana is examined within the larger and wider structure of the international economy. This is because the introduction of cocoa culture into West Africa was a part of the dynamics of industrial capitalism and cannot be understood in isolation from wider historical process. This is the essence of the intersectional and complexity approaches: systems of many dynamically interacting parts or particles, characteristic of much modern study in humanities, culture and society (Beinhocker 2005: 18). This is on the understanding that all social structures are interdependent and interact in complex ways.

II. Results and Discussion

a) Cocoa Industry in Ghana on the Eve of World War I

Cocoa is a native of the lowland tropical forest of the upper Amazon basin of southern America and also of the coastal strip west of the Andes where it grows as an under-storey species beneath the tall upper-storey forest trees. The story of cocoa begins with a fermented alcohol drink, discovered in the Ulua Valley of present day Honduras, which dates somewhere between 1400 B.C. and 1100 B.C. Through voyages of exploration to the New World, the drink quickly became popular at the Spanish Court. The custom of drinking chocolate soon spread from Spain to other countries. The first chocolate house in England was opened in

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London in 1657. The drink also became popular in France, Holland, and Germany.

However, the trade in cocoa did not become an important one until the second half of the nineteenth century. This was the period when the manufacture of chocolate was being considerably increased as the result of the perfection of a method of making milk chocolate in Switzerland in 1876. Firms such as Cadbury-Schweppes, Fry and Rowntree in Britain and Nestle and Peters in Switzerland were needing increased supplies of beans (Muojama 2013). 'Cocoa butter, chocolate and chocolate syrups, cocoa powder, and prepared cocoa mixes are used widely in the confectionary, ice cream, baking, dairy, and soft-drink industries to produce a great variety of foods and beverages. In addition, cocoa butter has for many years had a significant non food use as a base for cosmetics and various pharmaceutical preparations'(Wickizer 1951: 261-262).

Increasing demand from Europe for cocoa beans led to the spread of cocoa cultivation in suitable areas in Spanish colonies in the New World. In 1822 seeds were brought from Bahia to the Portuguese island of Sao Tomé off the west coast of Africa, where they were planted and where they subsequently flourished. Cocoa plant was introduced, in 1840, to the island of Fernando Po by William Pratt. It was from there that cocoa culture spread to various parts of West Africa, Nigeria in 1872 and Ghana in 1879. Although there are fragments of evidence indicating that cocoa culture had been in place, most especially by the Baptist mission in the early 19th century (the 1830s), the conventional wisdom has been that cocoa was introduced into Ghana in 1879 by Tetteh Quarshie, who worked in cocoa plantation in Fernando Po.

The introduction of cocoa culture in West Africa was mediated by a number of agents, trading firms, missionaries, and botanical gardens. Soon after introduction of cocoa in West Africa, the production of the crop became dominated by the locales, while export trade was an exclusive preserve of the European trading firms.

The cultivation of cocoa required such factors of production as capital, land and labour. There were two major means of capital formation for cocoa production. These were economic and non-economic means. In the case of economic means, more than half of the early cocoa planters had been traders or migrant labourers and so were able to accumulate savings to help finance their first cocoa farms. On the other hand, many farmers relied on their participation in various non-economic institutions or networks of communication and mutual responsibilities for the service and support they needed to establish themselves as cocoa farmers. Kinship and ethnic ties were sources of savings and security for cocoa farmers. Social and cultural institutions or relationships have provided particularly appropriate mechanisms for organizing and expanding cocoa production.

Since cocoa did not grow wild, land must be mapped out for the cultivation and expansion of cocoa production. However, in the pre-war period, land was not a problem. This is because there was surplus land available for cultivation. The family land and community land was available for use by members of the family or town. Migrant farmers also pooled resources together to buy land for cocoa cultivation, what Polly Hill has described as rural capitalism.

Family labour was the main source of labour supply. Men were used to marrying numerous wives so as to have a large family for the purpose of labour supply. From the 1850s, both official and private employers voiced repeated complaints about the scarcity in British West Africa.

Most cocoa farms in West Africa were established by planting the seeds at stake, i.e. by direct seedling in the field. Cocoa farms were also established through the raising of nursery. Seedlings stayed in nursery for five or six months. Supposedly suitable land for cocoa growing was selected by trial and error in most parts of West Africa. The method most commonly used for land preparation local farmers was selective forest thinning. This was done by removing only some of the trees in an attempt to leave sufficient forest trees to supply adequate overhead shade. Bush clearing took place during the dry season.

The first stage in the processing of cocoa is harvesting. Ripe, healthy-looking pods, which are yellow or orange in colour, are removed from the cocoa trees by cutting through the short pod stalk with a sharp cutlass or harvesting hooks made of pure iron. Pods were broken one to three days after they had been harvested. Fermentation was done for such purposes as to develop the chocolate flavour and aroma in the beans, to allow the water in the seeds to drain and to allow the acidic content of the seeds to exude.

After fermentation, there followed the drying process. Drying of fermented cocoa was done to retain the chocolate flavour developed during fermentation. The cocoa that is well dried should not have moisture content of more than 8-9%. Zero per cent moisture content is not acceptable. This is to allow for the wine to be squeezed out when the cocoa is crushed. It was after drying that cocoa beans are bagged in jute-bags ready for export. There were two cocoa seasons, namely: Main Crop—between September and March and Light Crop—between April and August.

A system of selling which took the cocoa through many hands had existed. Cocoa passed from the farmers through African middlemen or brokers of various categories to the European trading firms which exported the produce to the consuming countries where they were transformed into chocolate, food, cosmetics, pharmaceuticals, among other derivatives of cocoa and

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brought back to the Africans through the same agency of merchant capital typified by the trading firms.

The first recorded shipment of cocoa from the Gold Coast was 80 lbs in 1891 (GH/PRAAD/ADM 5/3/33 Cmd. 5845. 1938). Writing in 1970, Polly Hill states that the first recorded exports of 121 lb of cocoa took place in 1885 (after which no more exports were recorded until 1891—80 lb) (Hill 1970: 173). In 1893, the total of 3,460 lb at £93 was exported from the Gold Coast, while 20, 312 lb at £546 and 28, 906 at £470 were exported in 1894 and 1895 respectively as well as 96, 724 lb at £7, 275 in 1896.

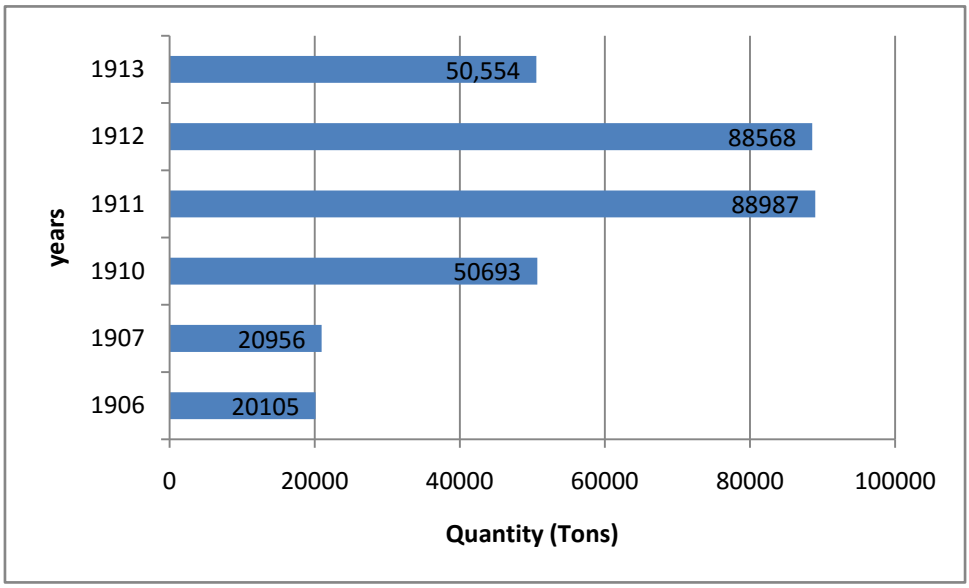


Fig. 1: Profile of the Gold Coast cocoa exports 1906-1913

'The exports of cocoa from the Gold Coast continued to rise considerably and after the turn of the twentieth century to become the foremost export of the Colony, vastly overshadowing others by 1910' (Howard 1978: 3). 'By 1910-11, Ghana produced more cocoa than any other country' (Grossman-Green and Bayer 2009). However, 'the world production of cocoa beans in metric tons during the calendar year 1895-1932', published in Gordian April, 1933 shows that Ghana produced 22, 989 in 1910. By this time it was still coming behind Sao Thome (36, 148 tons), Ecuador (36, 305 tons), and Brazil (29, 152 tons) (NAI CSO 26/3/ 28604). But by 1915, Ghana had become the world's largest producer of cocoa, with 78, 514, about 95 per cent of Brazil's production (44, 980 tons) which by then was second largest producer of cocoa after Ghana.

As cocoa business became rewarding and production continued to expand, more deliberate efforts were being made to improve the quality and quantity of produce. The expansion of trade brought into British West Africa more and more firms, British, German, Dutch, American and African alike into the business. These British firms included: Messrs G.B. Ollivant & Co., Ltd, Messrs Miller Bros (of Liverpool), Lagos Stores Ltd, British West African Trading Co. Ltd., The British & African Produce Supply Company (merchants and farmers), SH Pearse, Niger Company, African and Eastern Trade Corporation Ltd. formerly African Association, Ltd., Union Trading Company Ltd., Paterson Zochonis, John Holt., United African Company, Cocoa Manufactures Ltd. (a subsidiary of Cadbury Bros., Fry & Sons and Rowntress), the English and Scottish Joint Co-operative Wholesale Society, both engaged in exporting cocoa.

By 1914, there were nineteen German and Austro-Hungarian firms in Ghana, most of which were dealing in cocoa exports. These included: L. Pagenstecher & Co.; G.L. Gaiser; Witt and Busch, Woermann Linie, J.W. Jackel & Co., Ring & Company, Bey & Zimmer, Niger Benue Transport Company, Deutsche Kamerun Gesellschaft, German West African Trading Co., Merterns & Co., Behrens &Wehner, Lohmann & vielor Co., Morin & Co., Sachse & Co., Paul Meyer & Co., Paul Guericke & Co., Holt Man & Co.

b) Colonial Ghana in the Wartime Disruptions of World Political Economy

Unlike the Second World War (1939-1945) whose impact on the periphery economies has received abundant scholarly attention, the First World War has not enjoyed the same treatment, except the two-day conference held at the School of Oriental and African Studies, London, in 1977 with the theme: 'The impact of World War I on Africa' (Rathborne 1978:1) It was not until 2014 that conferences and workshops resumed in order to mark the centenary of the Great War.

This hitherto attitude of scarce and scanty discussions on World War I had been due partly to the popular belief that 'unlike World War II, World War I does not mark a turning point in anything like so clear a

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fashion. ….the lines between cause and effect before and after World War I are far from neatly drawn…'(Ibid). On the contrary, the war made tremendous impact on the world economy which had blossomed since the early 19th century. The happy combination of economic institutions, market forces, and a harmonious international climate characteristic of the first phase of the world economy (1870-1913) was rudely shattered after 1914. The balance of power in Europe ended abruptly with the challenge of German expansionism. Four years of bitter war, with entire nations in arms, wrought terrible destruction and loss of life. 'The course of globalization was stopped and reversed' (Desai 2002, 104). 'Established trading contacts were broken, goods were produced not for export but for war-supplies, consumer-goods were sacrificed to war production, capital investments abroad were sold' (Thomson 1968, 77-78). The financial burdens of World War 1 forced Britain to sell a substantial portion of its gold and the gold standard ended. A new logic of the economy was suddenly born. Although business stayed in private hands, the market was no longer the logic of the economy. Economies had to be run by committees of bureaucrats, army staff and businessmen, under government control. This was the phase of capitalism in one country, which was to be the 20th century pattern. 'It was deglobalization with vengeance' (Desai 2002, 107).

This protectionist attitude sweeping across the world during the war also played out in Africa where the belligerent nations, The United Kingdom and Germany, all maintained colonies. Ghana, being the colonial territory of Great Britain, was drawn into the war. Foreigners trading in Ghana were thus proscribed by Aliens Restriction Ordinance, 1914. This Order also involved persons naturalized as British citizens in British Possessions (NAI CSO.19/3/185). Enemy citizens who did not vacate these territories early enough were taken prisoners (NAI CSO 19/3/194). Neutral subjects proceeding to Ghana and Nigeria during the war were denied visa. In Ghana, the Immigration of Labour Restriction Ordinance No. 15 of 1916 of the Gold Coast empowered the Government to exercise control over the immigration into the Colony of indentured foreign labourers who were neither of West African nor of European origin or descent (*Colonial Reports—Annual No. 859 Gold Coast 1916,* p.31, GH/PRAAD/ADM.5/1/15). This Ordinance was made to apply to Ashanti (*Colonial Reports—Annual No. 919 Ashanti 1916,* p.12, GH/PRAAD/ADM.5/1/15). Shipments to and by enemy firms were closed.

The prohibitions were extended so as to apply to territories in the effective military occupation of an enemy as they apply to an enemy country. Under the Trading with the Enemy (Extension of Power) Act, 1915, trade with firms of enemy nationality or association with them in non-enemy countries was prohibited. Its effect, as contained in Gold Coast Ordinance No. 5 of 1916, was 'to extend the policy and scope of the local Trading with the Enemy legislation to persons and bodies of persons whose enemy nationality or enemy association may cause business relation with them injurious to British interests' (*Colonial Reports—Annual No. 859 Gold Coast 1916,* p.31, GH/PRAAD/ADM.5/1/15). Statutory lists of such firms in foreign countries, with whom all dealings were prohibited, were drawn up from time to time by the Foreign Trade Department. Some of these firms included those in China and Siam, Persia, Morocco, Liberia, and Portuguese East Africa. With a view to preventing breaches of the prohibition, importers were required, in certain cases, to produce Certificates of Origin and Interest issued by British Consular Officers. Exporters were to make declarations of the ultimate destination of their goods (NAI N. 480/17).

Besides, all firms belonging to the enemy were liquidated (NAI N1877/1916; NAI N.3855/1920), as were the British enterprises in Germany (NAI N.2415/1916). This liquidation caused a lot of upheavals in the economy. Goods paid for, which were not shipped before the war, were no longer shipped at the outbreak of the war. And these enemy firms were under liquidation. Merchants thus affected began raising claims against the firms being liquidated (NAI CSO 19/3/819). Records show that these claims were only acknowledged, but not attended to as no compensation was paid for the losses, until the 1920s when receivers' offices were established to take claims by firms for pre-war contracts.

In addition to the liquidation of the enemy firms, alien properties were also sold. This was in accordance with the Aliens Restriction Ordinance, 1914 and the Enemy Property Disposal Ordinance of 1917 (NAI CSO 19/3/819, 1917). In this way, German properties both freehold and leasehold across British West Africa were offered for sale on 15 November 1916 (NAI N.1894/1916). These properties were formerly in the occupation of L. Pagenstecher & Co.; G.L. Gaiser; Witt and Busch, Woermann Linie, J.W. Jackel & Co., Ring & Company, Bey & Zimmer, Niger Benue Transport Company, Deutsche Kamerun Gesellschaft, German West African Trading Co., Merterns & Co., Behrens &Wehner.

c) The Effects of the Wartime Trade Dislocation on Cocoa Industry in Ghana, 1914-1918

The effects of the Great War on Ghana cocoa industry were enormous. Because British West Africa had been integrated into the orbit of the capitalist world economy, the effects of the war were felt in the sub-region in no small measure. Some of these effects are general for cocoa growing countries in British West Africa, with some specific cases. These effects are examined below.

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i. *The Inflation and depression in cocoa Prices*

For , in the 1915-16 cocoa season, there was the payment of inflated prices. The price was abnormally high early in the year and continued at a fairly satisfactory level till about the end of November (*Colonial Reports—Annual No. 859 Gold Coast 1916*, p.27, GH/PRAAD/ADM.5/1/15). This gave rise to an undue increase in the quantity of crop exported and the harvesting of immature pods due to economics of uncertainty. The effects of this included the decrease in value of cocoa. For instance, in 1914 there was 12% decrease in the value of cocoa in the Gold Coast, even though the quantity exported exceeded those of the years before the war. Cocoa prices touched the lowest level in 1917 and 1918 as indicated in Table I below. This decline was due solely to the unsettled conditions existing in the European and American markets and in no way to deterioration in quality (*Colonial Reports—Annual No. 859 Gold Coast 1916*, pp.21 and 27, GH/PRAAD/ADM.5/1/15). The consequence of this depression was that in some districts cocoa was left to rot on the trees, not being considered worth the trouble of picking (*Colonial Reports—Annual No. 859 Gold Coast 1914,* pp. 14-15, GH/PRAAD/ADM.5/1/14). Similarly, in 1916, there was a setback experienced in Ashanti region towards the end of the year in terms of the area of land under cocoa cultivation, owing to the fall in prices, which caused the locals to discontinue further planting. In 1917, for instance, 14, 772 tons were exported as against 17, 939 tons in 1916, a decrease of 3, 167 tons. This was in no way due to a decrease in quantity produceable by the natives of the Dependency, but solely to the fall in price, which so militated against the industry that many farmers did not even trouble to pick their fruit, while others refused to sell at such low prices, openly stating that they would rather lose all on a gamble for a rise in price than dispose of the beans for such poor returns" (*Colonial Reports—Annual No. 919 Ashanti 1916*, p.8, GH/PRAAD/ADM.5/1/15).

ii. *Increase in Quantity amidst fall in Price*

Although cocoa exports during the war increased in quantity, there was not a corresponding increase in price except in 1915 as table I shows.

Table 1: Figures of Gold Coast Cocoa Exports 1910-1918, with emphasis on **1914-18**

Year	Quantity (Tons)	Annual Change in Quantity	% Annual Change in Quantity	Price (£)	% Change in Price	Value (£)	Annual Change in Value	% Annual Change in Value
1910	50693	0	0	37.6	0	866571	0	0
1911	88987	38294	75.541	39.6	105.32	1613468	746897	86.19
1912	88568	-419	-0.4709	39.13	98.81	1642733	29265	1.81
1913	50,554	-38014	-42.921	39.13	100	2489218	846485	51.53
1914	52888	2334	4.61685	34.1	87.15	2193740	-295478	-11.87
1915	77,278	24390	46.1163	40.13	117.68	3651341	1457601	66.44
1916	72161	-5117	-6.6215	37.6	93.7	3847720	196379	5.38
1917	90964	18803	26.057	21	55.85	3146851	-700869	-18.22
1918	66343	-24621	-27.067	14.11	67.19	1796985	-1349866	-42.90

Table I shows that 52,888 tons of cocoa were exported from the Gold Coast in 1914 amounting to £2,193,740. This is 4.61 per cent increase in quantity and 11.87 percent decrease in value relative to the pre-war figures of 1913. In 1915, the quantity of export increased to 77, 278 valued at £3,651,341. This is about 46.11 increase over the quantity exported in 1914 and about 66.44 per cent increase in value.

The reason is that there was scarcity of ships calling to load produce starting from 1914. After 4 August 1914, 'German steamers, which formerly carried a considerable proportion of the Colony's imports entirely ceased, of course, to call, while French steamers were few and far between; and from the outbreak of war right up to the end of the year the needs of the Imperial Government absorbed vessels that would otherwise have come to West Africa' (*Colonial Reports—AnnualNo. 859 Gold Coast 1914,* p.10, GH/PRAAD/ADM.5/1/14). This in 1914 caused an unusually large stock to be carried over to 1915 (*Ibid.* p. 15. This situation subsequently led to decrease in quantity of crop exported in 1916. Annual Reports of the year states that 'the decrease in quantity was due to the shortage of ships and trade dislocation occasioned by the war, and not to a smaller production' (*Colonial Reports—Annual No. 859 Gold Coast 1916*, p.27, GH/PRAAD/ADM.5/1/15).

This was also due to the depressed state of the European cocoa market during the three last months of the year. It was estimated that the year's crop was by far the heaviest ever gathered. Large quantities remained on the hands of shippers at the end of the year (*Colonial*

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Reports—Annual No. 859 Gold Coast 1916, p.21, GH/PRAAD/ADM.5/1/15) for which there was difficulty in obtaining sufficient storage accommodation and in many of the more remote districts the bulk of the main season's production remained with the farmers. Put differently, owing to heavy stocks and the difficulties of shipping the trade gradually collapsed and had come practically to a standstill at the end of the year (*Colonial Reports—Annual No. 859 Gold Coast 1916*, pp.21 and 27, GH/PRAAD/ADM.5/1/15). The corollary of this was the large quantity of crop exported in 1917 in the Gold Coast. The consequence was the depression in price that took place in 1917, which adversely affected the value of export of that year.

iii. *Restrictions on Cocoa Trade*

The Gold Coast Annual Report for 1917 shows that there was 'the limitation of imports into the United Kingdom' (*Colonial Reports—Annual Gold Coast 1917*, p.25, GH/PRAAD/ADM.5/1/16). According to Truell, 'for reasons of national importance, ships were compelled to give preference to freights of palm oil, kernels and groundnuts, and when such freights were available, they were not permitted to take cocoa. This resulted in homeward-bound vessels passing the Gold Coast laden with oil produce from Nigeria, with consequent loss to our cocoa trade' (*Colonial Reports—Annual Gold Coast 1917*, pp.25-26). This same policy continued up till 1918 as reported by Captain C.E. Cookson, the Assistant Colonial Secretary. According to him,

This Colony [Gold Coast] was particularly unfortunate during the later stages of the war in that cocoa, its chief product and source of wealth, was not placed on the priority list when restrictions in shipping were instituted, owing to the submarine menace. The result was a general apathy amongst the farmers from which no amount of warning as to the effects of neglect served to rouse them …. (*Colonial Reports—Annual Gold Coast 1918*, p.25, GH/PRAAD/ADM.5/1/17)

iv. *Imposition of Export duties on Cocoa*

Although duties had been charged on imports from countries other than Britain, duties were rarely imposed on exports, except for palm oil on which the colonial government had imposed tariff since 1891. The Cocoa Export Duty Ordinance No. 19 of 1916 of the Gold Coast imposed an export duty on cocoa of one farthing a pound, net weight (*Colonial Reports—Annual No. 859 Gold Coast 1916,* p.31, GH/PRAAD/ADM.5/1/15).

v. *New guideline in cocoa exports*

Jute bags were thenceforth to be used in colonies for the exportation of produce (cocoa, kernel, groundnuts) to the United Kingdom. This no doubt was a matter of identification in a war situation of produce coming from the British colonies. Bag became a big business. For instance, bags were bought at 2/- to 2/6, but were sold at 3/6 to 3/9. There is apparently some shortage of bags (NAI CSO 19/6/1242). The deficiency in bags was partly due to the great quantity absorbed in the bagging of produce which merchants were unable to ship, and if these produce were shipped, a great number of bags would be liberated. Merchants were unable to ship these produce due to the existing restrictions. Some firms had produce and no bags while some had bags for sale. Firms said that they would stop buying produce from producers until they got bags. It became obvious to the colonial government that some control on bags was desirable, not only on import, but on issue and the price charged. By prohibiting the sale of bags, except under permit, to a produce firm at a price which would give the seller no profit, there would be no incentive to ask for more bags than required and to hold up bags for a use. Only exporters would be allowed to hold bags. In this way, the Priority Committee (NAI CSO 19/6/1242, 1918) received numerous applications for certificates for the importation of bags. For produce, the estimated total of bags required per annum was 4 million.

vi. *Untold Hardship on Cocoa Framers and Loss of Interest in Cocoa Industry*

The prices of imported goods were rising, while the price of their export commodity was falling, giving rise to imbalance in the terms of trade. Most cocoa producers had specialized in cocoa that they no longer produced food crops, which they had to purchase with money generated from the sale of cocoa. This led to an untold hardship, the loss of interest in cocoa industry by farmers and abandonment of cocoa production and curing. The interest of farmers in cocoa industry could partly be measured by the frequent visits they made to the agricultural stations. There was reduction in the activities of agricultural stations compared with those of the previous years. There was reduction in the number of visits paid by farmers to the Agricultural Departments. The factor of the Great War may not be able to solely account for these changes. Added to the effects of the war was the excessive dry season which affected the yields from most crops. Fuller, the Chief Commissioner of Ashanti reported that 'there was a tendency on the parts of owners to abandon their farms. On the whole farms received less attention than in former years, and a number received no attention whatever, even the pods being allowed to remain and rot on the trees' (*Colonial Reports—Annual No. 962 Ashanti 1917*, p.3, GH/PRAAD/ADM.5/1/16).This low-spiritedness among cocoa farmers and its consequences for the industry were vividly captured in a 1918-report by A.G. Boyle, Acting Governor:

Plantations of cocoa suffered considerably…, accentuated by the low prices offered locally during the early part of the year and to the temporary closing of markets. In many cases the prices offered for cocoa

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were so low that growers were not even able to harvest and cure the crop at a profit. Plantations were neglected or abandoned and cocoa, which was stored in anticipation of improved market conditions, became unsalable through the attacks of mould and weevils

III. Conclusion

The First World War no doubt wrought terrible destructions on the cocoa trade in the world in general and the British West Africa in particular. This was due to the interconnectedness of the economies of the world resulting from the globalized nature of the capitalist economy which was and is still at the root of cocoa production and export in the British West Africa.

Although trade disruptions during the war affected all cash crops to varying degrees, the case of cocoa is noteworthy. This is because research in other crops like palm oil and rubber was energetically pursued during the war, particularly where it could be followed up with development based upon war requirements. This was not the case with cocoa, whose shipping to Britain was in fact restricted. Again, crops like groundnuts and palm produce had local use and hence local market and demand. Cocoa had none! Cocoa planters in British West Africa depended on world market for sale of their product, being subordinated to the vagaries of external demand. In this may be seen the beginnings of a peripheral capitalist formation lacking in "autocentric" dynamic, what has been described as "dependent capitalist development" (Cardoso 1972: 83-95).

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