



## Cocoa-nomics: Who benefits? Who pays?

### 1. Introduction to Cocoa

Today, about 14 million people in over 30 developing countries depend on cocoa production for their livelihoods. Cocoa is the building block of all chocolate products. The top four cocoa producing countries Côte d'Ivoire (Ivory Coast), Nigeria, Ghana and Indonesia are all in the bottom half of nations by per capita GDP. By contrast, the top ten countries in terms of chocolate consumption are all in the top 15 percent. Only about 5% of the cost of your chocolate bar goes to the producer. As a result, the farm workers who harvest cocoa are generally extremely poor and many have never tasted chocolate.

Cocoa is a psychoactive plant that grew wild in the Gulf Coast of Mexico thousands of years ago. The Olmec, Aztecs, Mayans and others who lived there learned how to cultivate the plant. Like other psychoactive plants (e.g., tobacco or coca) cocoa played a key role in traditional practices, medicine and commerce. Cocoa seeds were even used as coins. Cocoa was first brought to Europe by the Spanish in the 16th century. European demand for cocoa led the Spanish to plant cocoa in their colonies. Soon, the French, English,



