DIVINE CHOCOLATE AND THE KUAPA KOKOO CO-OPERTIVE

Chocolate may be most people's favorite flavor, but most of us know little about how the chocolate industry has developed over time, nor about how current chocolate companies are managed. Consider how the meaning of chocolate has been socially (re)constructed throughout history.

Chocolate as idol. The history of chocolate as food dates back to 1900 BCE to people living in Mesoamerica, with the Mayans worshipping the cocoa bean as an idol closely linked to the merchant god Ek Chuah, and the Aztecs believing cocoa was a gift from Quetzalcoatl, the god of wisdom.

Chocolate as money. Both the Mayans and the Aztecs used cocoa beans as currency. In fact, in some parts of Central America it was still being used as currency as recently as the 1800s; with 10 cocoa beans you could buy a rabbit, and with 100 you could buy a slave. When the Spanish explorer Don Cortes was introduced to a chocolate drink by the Aztec Emperor Montezuma, Cortes may not have liked the taste but he did like the idea that money could grow on (cocoa) trees. Realizing its value as currency, he established a cocoa plantation in order to cultivate cash (this gives new meaning to the idea of a chocolate mint).

Chocolate as medicine. The Mayans used cocoa for the treatment of coughs, fever and discomfort during pregnancy. The Aztecs thought that wisdom and power came from eating the fruit of the cocoa tree. In Europe some of the earliest cocoa makers were apothecaries (early chemists) interested in the supposed medicinal properties of cocoa. In 17th century Holland, cocoa was recommended by doctors as a cure for almost every ailment. Today research points to health benefits from eating dark chocolate, such as reducing the risk of cancer, heart disease, and stroke.

Chocolate as an agent of social-well-being. Technological breakthroughs by entrepreneurs like C. van Houten, a Dutch chocolate master who in 1828 invented of the cocoa press, helped to make chocolate affordable for many more people. At that time many leading businesspeople in the chocolate industry were Quakers, whose motivation included a desire to persuade poor people to give up alcohol in favor of the healthier chocolate drink. One such Quaker was John Cadbury, who started Cadbury Limited in 1831. An important turning point for the company occurred in 1866 when it introduced a process for pressing cocoa butter from the cocoa bean, and by 1879 the firm had become so financially successful that George Cadbury could afford to build the "factory in a garden" on a park-like property in Bournville, England. Cadbury's Bournville factory became famous for setting an example of promoting social well-being in the workplace. Cadbury was the first firm to reduce the workweek to five-and-a-half days, encourage workers to continue their education while employed, offer medical and dental departments, and provide workers with a kitchen where they could heat up their dinners. Wanting to offer wage earners affordable housing in pleasant surroundings, in 1895 George Cadbury purchased another 120 acres near the Bournville plant to establish what has become the Bournville Estate, a charitable trust that today covers 1,000 acres and has 7,600 homes.

Chocolate as big business. Once technology enabled chocolate to become a mass consumption item, it soon became big business, with global retail sales topping a sweet US$100 billion in 2015. About 60% of all chocolate is consumed in the USA and European Union. As the industry has grown it has become dominated by a few very large firms, so that today about 57% of the global retail market in chocolate confectionary is controlled by five firms (Cadbury, Mars, Nestle, Hershey's and Ferraro), and in the USA about 75% of the candy rack is owned by Hershey's and Mars.

Unfortunately, having so much power concentrated in the hands of a few major players has meant that the farmers who grow the cocoa beans have little bargaining power and are not particularly well-served. For example, the price of cocoa on the global market in 2018 was less than half of the price forty years earlier. Although around 1990 the chocolate industry began to embrace practices consistent with TBL management, nevertheless in West Africa (where Cote d'Ivoire and Ghana provide most of the world's cocoa) many plantations use slaves and there are up to 2 million child laborers, with the typical cocoa producer earning only $1/day on average. (That average wage could be doubled by increasing the retail price of a chocolate bar by 7%.)

Chocolate as an opportunity for SET businesses. The Divine Chocolate Company was founded in 1998 and deliberately structured so that cocoa producers would own 33% of the company, have representatives on the board of directors, and be guaranteed a fair price for their chocolate. More precisely, Divine is co-owned by a Ghanaian cooperative called Kuapa Kokoo, a group of 85,000 cocoa producers from over 1,200 villages, who collectively sell about 5% of their cocoa to Divine. A **cooperative** *is an organization that is owned and democratically-run directly by its members,* in this case the cocoa farmers themselves (see Chapter 6). In addition to purchasing their cocoa for a fair price, Divine helps its farming co-owners to address issues like child labor and climate change, and together they have invested about $3 million in medical clinics, water wells, and schools throughout Ghana. Perhaps the most important contribution that Divine has made is to be a force in the marketplace that compels mainstream businesses to begin to purchase cocoa at fair prices. For example, when Cadbury's decided to source all their Ghanian chocolate from certified fair trade suppliers, this doubled the amount of fair trade sales for the Kuapa Kokoo farmers.