

# THE OBSERVER



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*Reporting Accurate and Objective Information Based on Facts, not Agenda-Setting Theories*

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## **No Sweet Side to Slavery** Chocolate Corruption

*"[Chocolate] will become so rare and so expensive that the average Joe won't be able to afford it." - John Mason.*

Hedge funds for the soft commodity of chocolate are bought and sold . . . **just like the Malian slave children who are the key labor force** used to harvest the cacao beans from the cocoa orchards on the Ivory Coast.

In May 1998, a London Hedge Fund Group called Armajaro was founded by Anthony Ward and Richard Grower. Armajaro has major investments in cocoa processing, wine production and distribution.

In 1998 the International Labor Rights openly stated child slavery allegations for the first time.

By 2001, Senator Tom Harkin (Iowa) and Senator Herbert Kohl (Wisconsin) called for immediate action to eliminate the worst forms of child labor which included the chocolate industry. In 2010, the Harkin-Engel Protocol was put into action. **\*But why did that take 10 years?**

By August 2002 Armajaro purchased through Euronext Liffe exchange 5% of the global cocoa production. The price of cocoa then rose to a 17 year high with rumors of market manipulation. The company denied the allegations.

Per Confectionery News article titled Pressure for chocolate industry as cocoa breaks \$3000 barrier dated **July 15, 2008**: *"In London cocoa futures hit their highest level in 22 years while the New York market reported a 28 year high with a 53% increase from 2007."*

Another major buyout for 7% of the global cocoa market occurred by Armajaro on **July 17, 2010** which caused the highest price increase since 1977. Could chocolate become an Endangered Species? Is Armajaro hedging cocoa futures?

What is the future for the Malian slave child exploited by child labor and human trafficking?

Executive director/founder of Ghana based Nature Conservation Research Center (NCRC), John Mason, voiced his concern that cocoa farming preservation was not implemented using long-term projection

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within the aging plantations of the Ivory Coast. Mason stated that within 20 years, chocolate purchase costs could be similar to caviar costs.

According to the [World Atlas of Chocolate](#), the cacao beans have been tracked to the ancient Mayans in 500 A.D. The Aztec civilization claims Montezuma enjoyed a spicy chocolate drink with chili pepper. Christopher Columbus is credited with the discovery of the cacao beans. Spain received the first shipment in 1585 and by the 17<sup>th</sup> century Europe was made aware followed by the Atlantic. The world knew of the cacao bean by the 18<sup>th</sup> century. For a time, they were used as currency in South America.

The cacao plant with a lifespan of 30 years is grown in the rainforest. The pods which grow to the size of a football contain as many as 50 beans and grow on trees in cocoa orchards. The pods are removed from the tree with machetes and if located higher than the child can reach, a long pole with a cutting tool is attached to the end to accommodate access.

The beans are white and sometimes lavender and do not taste like cocoa. The bean becomes brown when fermented, dried and roasted. The Netherlands and the United States are the largest cocoa processing countries according to the UN Food & Agriculture Organization.

The highest [cocoa bean producers](#) (2009) are Cote d' Ivoire, Indonesia, Ghana, Nigeria, Cameroon, Brazil, Ecuador, Togo, Papua New Guinea and the Dominican Republic. The three major countries for cocoa consumption are Switzerland, Belgium and the United Kingdom.

Chocolate is one of the most favorite flavors in Europe and North America. ([Swift, 1998](#)) Cocoa paste, liquor, cocoa powder and cocoa butter are considered semi-chocolate products. Who can imagine a world without chocolate? Surely, not these companies . . . Archer Daniels Midland (USA), Cargill (US) Barry Callebaut (Switzerland), Nestle (Switzerland), Cadbury Schweppes (UK) and Hershey (USA).

The after dinner-drink called the "[naughty nightcap](#)" has become a holiday favorite. Our society even has people 'begging' for chocolate during the Halloween festivities.

Has chocolate become the drug of choice? Obviously, since billions of chocolate are consumed globally. There are approximately 500 chemicals in chocolate. The variations of chocolate are impacted by the manufacturing process. Because chocolate effects the endorphins in the brain, phenylethylamine (considered the chocolate amphetamine) and [theobromine](#) which has caffeine similarities, help create a 'sense of well-being'. The neurotransmitter serotonin is affected by chocolate.

Chocolate contains [antioxidants](#) and more [flavonoids](#) than fruit juice. We must insist on changes if we are to continue to consume this favorite super food. The trafficking of children is a heinous crime that must be punishable with consistent harsh sentencing within the law.

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Cacao beans are smuggled to neighboring countries near the Ivory Coast and have caused border security to increase. Prosecution for smuggling is lacking enforcement. Who doesn't want the public to know about the '[dark side of chocolate](#)'? **\*Notice the number of reports that are non-accessible.** Numerous research reports appear to be disappearing on the internet. I repeat . . . Who doesn't want the public to know about the 'dark side of chocolate'?

**Suggested Additional Reading:**

[Child Labor and Child Slavery](#)

[Worst Forms of Child Labour Data](#)