

History of the Sugar Industry in Belize



BY: Mr. Ramon Aban, Chairman San Joaquin Branch, Corozal District

History of the Sugar Industry in Belize;

By Roman Aban, San Joaquin Branch, Corozal District.

The Maya Indian uprising against the Spanish “conquistadores” in neighboring Yucatan, known as the war of the castes, resulted in the introduction of the sugar cane industry into what was then called British Honduras. Refugees fleeing across the Rio Hondo in 1848 brought with them the first cane cuttings. They were invited by a Mr. James Blake, a magistrate, to settle on lands in the Corozal District where he helped them to establish the new crop. Among a people noted for their hospitality and kindness it is fitting that the generosity of one of the earlier inhabitants should have given rise to one of the most important agricultural industries of their country.

The records show that by 1856 there were 800 acres of sugar cane under cultivation and in 1857 the first shipment of sugar and rum was sent to England.

In 1878 there were said to be in existence 12 estates or “ranchos” in the Corozal District representing a capital outlay of \$300,000. It is said that ratoon crops were grown for up to 20 years with no signs of deterioration. Yields were of the order of 20 to 40 tons of cane per acre, although no fertilizers were used and very little drainage and cultivation was practiced.

Records available from Santa Rita Estate on Santa Rita Hill where the Corozal Town Hospital and Government offices now stand, which was one of the estates originally planted by refugees from Yucatan, show that this estate produced both sugar and rum. In 1884 one field produced 4000 gallons of juice at 11 Baume, equivalent to 2 ½ tons cured sugar per acre, and that from 35 year old ratoons.

New blood was introduced into the country’s sugar industry in 1867. As a result of the economic and social policies of the Reconstruction Government in the Southern United States following the Civil War (1861- 1865), a number of Southerners decided to migrate to other lands. As young, Toledo and Company of British Honduras offered to sell their cut-over timber-lands to immigrant on very favorable terms; one group of these Southerners purchased land from that company and settled near the small town of Punta Gorda in Southern British Honduras, naming their community Toledo Settlement.

About 200 immigrants originally started to work clearing the land there, but the heavy rains, malaria, Asiatic Cholera and the failure of food crops all helped to cause most of them to return to the United States. Levi Pearce, a Methodist minister from Mississippi, returned to United States and persuaded other Southerners to come to British Honduras. About seven new families joined Pearce and the scanty remnants of the original group at Toledo settlement and began to raise sugar cane and manufacture muscovado sugar in a small way using inefficient open pan evaporation.

The settlement grew and enjoyed modest prosperity up to the year 1890, when it had 600 acres land in sugar cane, and had cleared about four square miles. After 1890 it began to decline. The cheap bounty-supported beet sugar from Europe had destroyed the market in England for colonial sugar. The American settlers continued to produce for the local market, but World War

1 regulations kept the price of sugar low in the territory. Nevertheless, people operating sugar plantations were able to survive. At the end of the War a sugar tariff was re-imposed but at the then low figure of 3c per pound, and the market was opened to Guatemalan sugar. The sugar growers in Guatemala were able to sell their surplus in British Honduras at low price. As a result of this, most of the settlers in Toledo Settlement had to stop sugar production by 1925, and the return to the United States began.

The records show that in 1867 there was a 400 acre sugar cane plantation at All Pines and three others in the Sittie River area and one in Toledo in the South. There was among six others in the northern districts, a one square mile plantation, the San Roman, located at the New River. There was an increase in the amount of sugar produces from 1865 to a peak in 1880. Production from 1865 to 1889 was as follows.

Table 1 sugar Production 1865-1889

Year	Tons
1865	213
1866	597
1867	543
1872	2203
1879	2002
1880	2807
1881	1930
1882	2572
1883	2020
1884	2392
1885	1674
1886	714
1887	952
1888	687
1889	291

It is recorded that the yield per acre was good as that in Louisiana at the time.

By 1869, sugar production had become important enough that the Lieutenant-Governor of British Honduras wrote, in his report to Jamaica, that there were 10 sugar mills in operation in the Colony, three of which were operated by steam engines.

In 1892/93, of the 12 mills in the Toledo settlement, five were driven by steam and the settlement had 600 acres under cane, employed 300 laborers and produced 600 tons of sugar (only one ton per acre).

After 1880 the amount of sugar produced declined. D Morris in his publication "The Colony of British Honduras" (London 1883) suggested that this was largely due to shortage of labor and recommended bringing in "coolie" labor. This was done when a number of East Indians were

brought in from Calcutta to work on the sugar estates throughout the country. In 1883 there were 2884 acres under sugarcane throughout the country with approximately 60 mills producing sugar. In 1902 tons sugar were exported that year.

Sugar declined as a crop not only in British Honduras but also in the West Indies in the late 1880s and in the 1890s. Another explanation for the difficulties in the industry was that after May 1st 1974, all sugar was free of duty in England and there was no tariff aid to the West Indies which resulted in the dumping of Bounty supported beet sugar from continental Europe on the English Market.

In British Honduras, by 1902, most of the large sugar estates which had originally started producing sugar for the English market had failed. The production of sugar was continued by small estates to supply the local market and efforts were made to get the Government to secure tariff relief but without success. In 1904 there were 30 small often inefficient mills operating (Corozal district 10, Toledo district 10, Orange Walk district 5, Cayo district 5) and 7 distillery plants. The output of all these mills barely satisfied local demands and little sugar was exported. In 1906 there were no less than 49 sugar mills in operation and ten rum stills. Total production was about 1500 tons of sugar.

The capital required for the Pembroke Hall mill was \$133,000 of which \$58,000 was loaned by Government. The rest of the capital was supplied by private subscribers. Contracts were issued to "Rancheros" who were paid the value of five pounds of sugar for every 100 pounds of cane delivered at the factory. The price of vacuum pan sugar delivered at Belize City was fixed at 4c per pound for 10 years and the import of sugar except by license was prohibited by the sugar industry Aid Ordinance. The Corozal Agricultural station was also opened in 1935, primarily for the testing of the new sugar cane varieties and cultivation methods.

The newly formed Corozal Sugar Factory Ltd, obtained the second hand equipment and building for the new mill from an out of used factory Guantanamo that belonged to Messrs Bacardi, the rum producers. It began manufacturing sugar for local consumption in 1937 and in 1938 production was 1036 tons. In 1950 production stood at 1462 tons. In 1952 an export shipment of 451 tons value at \$63,166 from a total production of 2120 tons, was sent to Britain as part of the 18,000 tons of Negotiated Price Quota allotted to British Honduras under the Commonwealth Sugar Agreements since December 1951. In 1953 the capacity of the mill was improved and it was possible to produce ten tons of sugar per hour. Production jumped to 2626 tons of which 815 tons, with an export value of \$126,000 were shipped to Britain.

Up until 1951 the area planted in cane had remained at about 2,000 acres. From 1951 to 1955 there was a considerable expansion in acreage largely due to Maya Indian smallholders who planted new land, mainly by the "milpa" system.

The growth of the modern sugar industry in British Honduras can be considered to have begun towards the end of 1955, when on the night of September 27th – 28th tropical hurricane "Janet" severely damaged the northern part of the country which, by then, was only region where sugar cane was grown commercially. The hurricane flattened large areas of the cane and severely damaged the Corozal District at that time. It was obvious that if this part of the country

containing approximately 30% of the population, was not to become a depressed area, a definite policy for rehabilitation and expansion of the sugar industry would have to be adopted and carried out with Government assistance.

The Governor at that time, Sir Colin Thornely, addressed cane farmers at a public meeting in Louisville on October 10 1955 and promised to examine the question of legislation to assist the organization of cane farmers into an effective cooperative unit. Previous to this the cane farmers were not organized and the factory bought cane from farmers at its discretion mainly through contracts with several of the larger farmers. The planters Cooperative formed in 1956 were a direct result of the Governor's action. In December 1959, the Government, after consultation with all sides of the sugar industry, passed two important ordinances which regulated the whole sugar industry in this country. These were No. 12 of 1959 (The Sugar Industry (Control) Ordinance) setting up the Sugar Board and the licensing and delivery quota systems among other things and No.13 of 1959 (The Sugar Cane Farmers' Association Ordinance).

Meanwhile, new capital was obtained from overseas and in 1955 the damaged sugar factory was renovated with increased grinding capacity. The expansion of the industry between 1955 and 1963 is shown by the following table. The entire production during this period was from the renovated Corozal Sugar Factory at Libertad.

Table 2 Sugar Production and Exports- 1955 to 1963

Year	Tons sugar produced	Tons sugar exported
1955	4,503	1881
1956	3,510	2007
1957	7,811	5,128
1958	11,067	10,269
1959	16,712	14,068
1960	13,642	11,748
1961	27,577	25,053
1962	25,817	24,250
1963	27,840	25,451

A big boost for the industry in British Honduras cane in 1963 when Tate & Lyle Ltd acquired the Corozal Factory Ltd, and immediately set about modernizing the plant at Libertad. This increased the capacity of sugar production to approximately 40,000 tons per annum. At the same time the company started construction of a modern factory on an estate formerly known as "Bound to Shine" near Tower Hill in the Orange Walk District. Simultaneously, land clearance for the planting of sugar cane in Orange Walk area was undertaken. Government has agreed to a participation in the overall cane deliveries between farmers and the company that would result in each group ultimately supplying the cane to produce 50% of sugar. The cane acreage cultivated by the company was increased from about 4500 acres in 1963 to over 14,000 acres in 1969.

Altogether, capital expenditure by the company in the order of \$35,000,000 was committed. The new 2400 ton cane per day (TCPD) factory started operations in early 1967 and is capable of expansion to 8,600 TCPD to ultimately produce 100,000 tons of sugar per annum.

In November 1966 the company's name was changed to Belize Sugar industries Ltd.

Cane farmers, with some assistance from a government guaranteed loan of \$600,000 increased their plantings considerably their acreage increased from approximately 16,000 acres in 1963 to about 2,300 in 1969.

With the improved plant at Libertad and the new Factory at Tower Hill, sugar production increased.

Table 3 Sugar Produced and Exported 1964 to 1970

Year	Tons Sugar Produced	Tons Sugar Exported
1964	33,591	30,447
1965	35,288	30,325
1966	43,454	43,120
1967	58,320	54,478
1968	63,588	61,479
1969	52,138	48,846
1970	66,793	58,574

At the beginning of 1969 British Honduras became a part to the new International Sugar Agreement which is designed to regulate the marketing of world sugar supplies not already covered by any special agreements, and specifically to try to establish a reasonable price range for sugars for both exported and imported. This caused a temporary halt of expansion with overall outlets restricted to slightly over 60,000 tons per annum.

Bibliography for History and Background

1. Sugar Cane Production in British Honduras(Department of Agriculture, April 1965)
2. Land in British Honduras(Colonial Office publication, London 1959)
3. Sugar(Barclays Bank, DCO publications 1969)
4. An Examination of The Perpetuation of Southern United States Institutions in British Honduras by a Colony of Ex- Confederates(Daniel Ginter Rosenburger, 1958).