

The Sugar Cane Economy

The Original Grove Plantation Home

On Kauai, a major historical change is underway...the Grove Plantation with 22,000 acres of sugar cane is up for sale and probable development. The similarly sized AMFAC sugar facility is also for sale. Since the sugar cane fields are on the sunny south side of the island, that is the side most likely to be developed. Tourists on a one-week vacation can't stand four days of rain, which can easily happen on the windward side of the islands.



Rain is good for sugar. It takes 2,000 pounds of water to produce a pound of sugar, so you might think that Kauai, home of the wettest place on the face of the earth, would be a perfect match. Actually, the major flat land and most of the sun is on the south side of the island, and the rain is on the north side, as is true on each Hawaiian island. This causes certain growing problems, which have been solved for more than a hundred years by huge ditches that carry the water around the islands.

Sugar has been the main agriculture crop for more than a century. And the Grove



Plantation has been one of the main sugar producers on this island. Although not founded by the Wilcox family, it was...and is...that terrific family that made the Grove Plantation great.

And, the Wilcox family civic and philanthropic activities have left their permanent mark on Kauai. The Clinic was donated by the Wilcox, and the only hospital on the island is the Wilcox Hospital. Everything from the museum to



the charities throughout the island bear their imprint.

The Wilcox family is one of the original Missionary families, as are many of the successful Island families. From less than humble beginnings on the northern side of the island, in Hanalai, the Wilcox family has been preacher, teacher, businessman and benefactor.

George Wilcox, son of the original Missionary, purchased the Grove Plantation during his youth, after first engineering the water from the northern part of the Island for the first owner, and expanded the plantation. He ran the plantation all of his life, while serving in the government of the Hawaiian Monarchy. Sugar was the principle export of the Islands after the forrestw were denuded of commercial trees, particularly camphor.

Sugar production, and high American tariffs during the 1800s was the precipitating cause of the American annexation of Hawaii. The Sugar Barons wanted to get into the United States so they could sell their sugar inside a protected system that was used by Louisiana and other sugar producing states to keep “foreign” sugar out -- and foreign included Hawaii. The Sugar Barons convinced the King to offer Pearl Harbor to the U.S. as a coaling station for Navy ships, in return for reduced sugar tariffs or some arrangement short of stathood for the Hawaiian Islands.

Sugar is a good example of a changing world of subsidized agriculture. Sugar can be bought on the open market anywhere in the world (except in the U.S.) for \$.06 a pound. That is the world market price. The U.S. government places a high tariff on foreign sugar to make the price in the U.S. well above \$.18 a pound, and guarantees sugar growers \$.17 a pound if they sell it to the government.

U.S. sugar producers in Louisiana – and Hawaii – sell their product higher than American candy manufacturers would be able to buy sugar if they could buy on the open world market. So, the sugar farmers want high subsidy, and the candy manufacturers want low or no subsidies so they can compete worldwide. We could

buy many products for less if sugar subsidies did not exist.

Congress is not inclined to continue sugar subsidies forever. Sugar farmers know that, and are cutting back before being cut off. Consequently, there are 50,000 acres on this small island that are up for sale...and there is no immediate use for all that land, or employment for all those whose jobs also disappear.

Even the dirt on these doomed plantations is a problem. Because more than 80% of the trees and bushes are not native to Kauai, any vacant land will be immediately overrun with “noxious” vegetation. But some vegetation is desirable because otherwise the red dirt, for which the island is famous, will penetrate everything. But noxious vegetation will be difficult to clear again, so everyone is scrambling to find a big solution to a very big problem.

No one wants 50,000 acres of development, but some development is inevitable. Other possibilities are hardwood forests, and even shrimp farming, but there is no single answer...and all answers require more time and money than may be immediately available.

The economy of Kauai is always tenuous because the great beauty of the island is constantly wrecked by a devastating typhoon about every decade. The flora and fauna quickly recover in the heat and rain, but the destroyed hotels and condos are not so





quickly recovered – and tourists don't spend money in wreckage. It is eight years since the most recent hurricane, Iniki (1992) with one gust registering 225MPH, and only now are the tourists coming in droves. Of course Kauai has suffered also with the Japanese economy problem, and that problem when combined with Iniki has left Kauai with a slower than normal economy.

Now comes the economic blow from the closing of the sugar cane plantations, with the knowledge that some year soon there will be another hurricane, or tsunami, or... Hundreds of jobs will be lost on an island with few enough jobs for a decent economy.

Fortunately, the Grove Plantation Homestead is immune to the problems with the Grove Plantation. The Plantation Homestead has been made into a Historical trust, so that 82 acre home to the Wilcox family is available to the public for viewing, forever. The beautiful Koa wood hallway and stairway can be seen by the public, and the terrific Koa table – which are pictured in this essay.

And the Homestead also has a row of homes that were built in the 40s for the workers, and are now occupied by retirees from the Plantation.

The Plantation will soon be no more, but the Homestead will remain to remind history of the days of the plantations.



Grove Plantation Worker Kitchen