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Taiwan's precious 'green gold' is losing its luster

After 20 boom years the island's betelnut industry is declining, and claiming its rural economy and culture as victims, say Kathrin Hille and Amy Kazmin

The knife cuts deep into the small green fruit. As the acorn-shaped bean falls open to reveal creamy-white pulp, Shih Tsai-yuan smiles: "This is best quality white betelnut."

It is harvest time in the areca palm plantations of Nantou county, a mountainous region in central Taiwan, and the palm seeds, commonly known as betel-nut, look good: white, tender and juicy. But the smile of Mr Shih, chairman of the county's betelnut industry association, fades fast. "This has been a family business for three generations and I always tell my children not to forget they were raised with betelnut," he says. "But it will end with me."

After 20 years of boom, a government crackdown, economic slump and trade liberalisation are driving Taiwan's betelnut industry into rapid decline. And this in turn is changing the island's rural economy and culture.

People have chewed betel for centuries, from east Africa all the way to the Pacific islands. Chewing it damps hunger, gives a feeling of warmth in the throat and on the face and causes a disorientation similar to the effects of marijuana.

In many Asian countries, betelnut consumption has receded with economic development. In Thailand, for example, chewing betel fell into disfavour after being attacked by the country's long-time military strongman, Phibun Songkham. Along with encouraging men to kiss their wives before going to work and calling on everyone to use forks and spoons instead of their hands to eat, Mr Phibul fought the betelnut habit because he wanted Thais to have white teeth, as in western countries. As a result, most young and middle-aged Thais have never tried betel-nut, although it remains a habit among the elderly in rural areas.

But in Taiwan the economic miracle has fuelled the development of a betel-nut industry. As rural workers migrated to join the light industry boom, farmers searched for a cash crop that required a minimum of labour and promised maximum profit. They discovered the betelnut.

Betel consumption had been banned by the island's Japanese colonisers in the late 19th century, but survived among the aborigines in mountainous regions. As economic growth accelerated, the aborigines went to the cities to look for jobs on construction sites, where they introduced a class of newly affluent workers to the habit. Along with democratisation, chewing betel became a symbol of being Taiwanese as well as of prosperity, earning itself the name "green gold".

Areca palm plantations grew from 1,600 hectares in 1971 to 56,500 hectares in 1997, according to government statistics. "Betelnut became a lifeline for Taiwan's economy, with a production value second only to rice among agricultural products," says an official at the Council of Agriculture. Until recently, in Nantou, the county with the largest betel production, 80 per cent of farmers were dependent on it.

Even more people depended on income from processing and distribution. The "betelnut beauties" are the most visible among this group. Lining provincial roads, elevated glass stalls brightly lit with coloured neon lamps display the scantily clad girls who sell betelnut, cigarettes and drinks. The girls' tiny boxes have grown over time into rows of glass buildings the size of greenhouses, with lighting reminiscent of

Amsterdam's red-light district. Dressed in fantasy uniforms, including those of short-skirted nurses, they dance at the roadside to compete for customers.

"It used to be a very good job," says Candy, one of the more senior betelnut beauties on the outskirts of Taoyuan city, who would identify herself only by her first name. "We sold one nut for T\$50 [€1.17, 82p, \$1.47] a few years ago. Now we get T\$50 for a box of 15."

The trigger for this steep decline has been the bursting of Taiwan's real-estate • bubble in 2000, followed by the island's first ever recession in 2001, as well as lower agricultural tariffs that came with accession to the World | Trade Organisation.

"It used to be that construction company managers would stop by at our stalls in the morning and buy betelnut for T\$5,000 to T\$10,000 to hand out to workers in a single day," recalls Mr Shih, who also operates some sales outlets. "But that is history."