ABSTRACT

Cardamom, the queen of spices, is native to the Evergreen forest of Western India. The three southern states producing Small Cardamom are Kerala, Tamil Nadu, and Karnataka, but out of the three, the majority of production comes from Kerala. Until the mid of 1980’s, India has the monopoly in cardamom trade. However, after that its exports as well as production started declining. Once the leading producer and exporter of cardamom, India now struggles to stand in the field of trade. Cardamom economy in Kerala confronted many challenges both in production and in price front. Since it is a commercial crop, its future depends on how far the growers and traders of the sector could be able to mitigate the problems they faced. Media in the country and also the growers and traders of the crop argued that the trade liberalization policy adopted by India put the cardamom economy in to its present situation. So this study made an attempt to compare the important variables viz. price and production of cardamom (small) with associated variables viz. area, yield, domestic consumption, export and import both in the pre and post reform period. Data collected from 1970-71 to 2013-14 were taken to study the phenomenon for secondary data analysis and interview schedules with farmers, traders, exporters and Spices Board officials were made to collect the first hand information. Based on data collected from the secondary sources, the study proved that there occurred an improved performance on the production and productivity of cardamom over years. As far as prices are concerned, the improvement was not impressive based on compound annual average growth rate. Downward tendency of export combined with increased domestic consumption was the dominant feature until 2010. One of the major reason behind this could be attributed to the absorbing nature of India’s consumption of cardamom. Because for many years India’s domestic consumption of cardamom is almost equal to its domestic production. The import data until 2013 showed that, the amount imported is very small when compared to its production or export. Again, the W.T.O provisions related to spice industry is also favorable as far as cardamom industry is concerned. So from the secondary data analysis, it is proved that it is not the impact of reforms, rather factors like climatic condition, domestic cost of production and lack of effective pest preventive measures played an important role to the lot of the cardamom economy.
The result from the primary data analysis also proved that there occurred an improved performance in the field of production and productivity and the credit should go to innovative local farmers and the R&D department of the Spices Board. Even though there is an increase in cost, yield also increases which resulted an increased in production. It should be noticed that there did not occurred any significant variation in the cardamom area under the study period concerned and majority remained in the field of planting or trading for many years. The implication is that all the players in the cardamom economy believed the potential of cardamom to regain its position in the world market. India should take the advantage of the different provisions of the W.T.O. agreements related to spices trade and for that, an efficient bureaucracy and enlightened farmers and traders should emerge.

**KEY WORDS:** Small Cardamom, Plantation, Production, Price, Area, Yield Export, Import, Domestic consumption, Spices Board, pre and post-reform period, Trade reforms, Agreement on Agriculture, Sanitary and Phyto-Sanitary measures, Compound Annual Growth Rate, High Yielding Variety, Geographical Indications, Good Agricultural Practices, Organic cultivation, Guatemalan cardamom,