

## **Strategic View: What Fair Trade means for Alejandro and Élica Maldonado**

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This summer I had the honor and the privilege to live for several days at the house of Alejandro and Élica Maldonado, who own a small coffee farm in the Piura region of northern Peru. There I was able to see first-hand how fair trade is improving their lives, and those of the other 25 farmer families in their association in the tiny village of Santa Rosa.

We climbed through the desert up to verdant Santa Rosa on potholed dirt roads in a rickety van, sponsored by Equal Exchange, the fair trade import cooperative. Here, finally, was a place that could use SUVs, and of course they have none. The farmers and their families greeted us like brothers and sisters. They spoke from the heart about the difficulties of their work and their dreams for their children. They apologized for the simplicity of their hospitality, while we, embarrassed, spoke of the richness of their lives well spent, and what we have lost in Western consumer culture. Within hours of our arrival one of the dignified farmers, inexplicably, broke down and cried, overwhelmed by the magnitude of this visit from the Norte Americanos who bought and financed his coffee crop. Here, remarkably, poor farmers were taking their wealthy customers into their homes like family, and it was a powerful emotional experience for all involved. More than anything, we wanted to show the farmers our respect for their work, and our commitment to them as human beings connected to us through a long and complex global food chain.

Coffee farming is hard work. We awoke in their dirt-floor house at six in the morning to a cacophony of donkeys, dogs and roosters. I hiked up with Alejandro to his small plot on the jungle hillside. The steep, shaded terrain and high altitude necessary for quality coffee precludes mass production. Just in Peru alone there are 150,000 coffee farming families with an average plot size of only five acres. Woven carry bags slung over our shoulders, we searched for coffee plants with ripe “cherries,” picking the red berries off of the plants one at a time. After a morning of picking we shelled and washed the raw beans, setting them out to dry and cure in the warm sun. Once laid out in the drying courtyard, Alejandro etched his distinctive *AM* into the beans, as if he was drawing his initials in the sand.

Just a dozen years ago Alejandro and his colleagues were still selling their raw beans into the local market, at low and volatile prices. In 1995, representatives from the newly formed export cooperative Cépicafe convinced the farmers of Santa Rosa to join them, and since then life has progressed significantly. Cépicafe sells 70% of its coffee into the fair trade market, and *comercio justo* (“just commerce” in Spanish) has made all the difference to the social and economic development of Piurian coffee farming. Cépicafe provides higher, more stable revenues, since fair trade prices don’t fluctuate with the underlying coffee market. It also provides access to credit, so farmers are not forced to sell at rock-bottom prices to generate income. Beyond fair pricing, the cooperative has been crucial in providing agronomists and other technical support to the farmers of Santa Rosa. Some of these are kids

who, as a result of the fair trade price, were able to attend university, receive a degree and return to their community to help continue to improve the quality of their products.

In addition to coffee, Alejandro and his neighbors produce sugar cane, a year-round crop that was once mainly a source for moonshine. With the help of Cépicafe, the beautiful raw organic sugar is now a significant fair trade export crop – primarily to Europe, as US sugar quotas remain punitive. Productivity and quality of coffee has also improved, as the farmers understand that carefully produced organic product fetches a premium on the world market.

Beyond pricing and productivity, the greatest impact of Cépicafe and fair trade has been on social development. A small percentage of fair trade revenue is captured as a “social premium,” which the farmers invest as they see fit. Higher prices have combined with the social premium to finance better access to health care, as well as a transformation of educational opportunities for the farmers’ children. Alejandro and Élica’s oldest son works as a chef in Lima, their daughter is studying technology in Piura, and another son is exploring opportunities in the tourism industry.

By the end of my trip I had seen every stage of coffee production, and understood the direct connection between purchasing fair trade and creating a better life for the farmers of Santa Rosa. Life on the farm is very rudimentary, and there are scant goods that are not a product of the farmers’ own labor. But I saw evidence of generational change, real social development that is a credit to Cépicafe, the farmers of Santa Rosa, and all of you out there who have been nurturing the fair trade market with your purchases. There is plenty of additional potential supply for fair trade; it is up to all of us to create the demand. If we keep at it, one day all trade can be *commercio justo*.