

Religion

Faith organizations throw weight behind 'fair trade' coffee movement

By In-Sung Yoo
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A Catholic charitable organization has become the latest outfit to join religious groups backing the "fair-trade coffee" movement, an effort to help coffee farmers world-wide who are hurt by falling prices.

Sharp price drops in the past three years have created a crisis for 25 million families that grow coffee in 50 developing countries, experts say. Some U.S. corporations, including Starbucks, Dunkin' Donuts and Procter & Gamble, have responded by agreeing to sell brands of fair-trade coffee, which helps ensure that the coffee grow-

ers make a decent living.

Now, Catholic Relief Services (CRS) has announced an initiative aimed at boosting sales of fair-trade coffee among the nation's 65 million Catholics. The CRS Coffee Project partners with the Interfaith Coffee Program of Equal Exchange Inc., a fair-trade company based in Canton, Mass. The program includes organizations from the Lutheran, Presbyterian and Methodist communities. It encourages the 19,000 Catholic parishes in the USA to endorse and sell fair-trade coffee. Plans for the project also include educating parishioners on the plight of coffee farmers. By paying a fair price and buying

Coffee and worship

The interfaith partnership:

- ▶ Sold 118 tons of "fairly traded" coffee last year in 7,500 places of worship, up from 60 tons in 2001.
- ▶ Expects sales this year of \$2.7 million, up from \$1.7 million in 2002.

directly from the farmers themselves, Equal Exchange is able to return more profit to the small farmer. In 2002 alone, company officials estimate they have generated more than \$1.6 million in

above-market income for small farmers that they would not have seen otherwise.

The initiative is gaining momentum quickly. "There's a lot of coffee being moved through faith communities," says Karen Smith, director of CRS' coffee program. "It's tying into people's values, and they're making conscious decisions based on their values."

Paul Rice, president and CEO of TransFair USA, the only fair-trade certification organization in the USA, says the CRS initiative can be significant even if the market potential through faith-based groups is a relatively small one.

"If we could get every Catholic in

the country to drink fair-trade coffee, that would be a huge market right there," he says. "But it's the ripple effect — getting all those people kind of up to speed on what fair trade is all about and getting them to ask for it at their local stores — that's going to have a much broader effect on the market."

Coffee is the second-most lucrative export among developing countries. Americans spend about \$19 billion a year on coffee.

"We consume about a fifth of the world's coffee, so clearly the choices we make about our coffee use can have an impact on the lives of these small growers and their

families," says Joan Neal, deputy executive director of U.S. Operations for CRS.

Prices took a dive during the last few years. In 1999, the price per pound was \$1.40. It plummeted to a low of just 42 cents a pound in 2001, thanks in part to the introduction of growers in Vietnam and Brazil that tend to overproduce low-grade beans. The cost of production and processing for the farmer is estimated at 80 to 90 cents a pound.

Fair trade promises a set price to farmers of \$1.26 a pound for conventionally grown coffee and \$1.41 for organic beans. Prices are at about 50 cents a pound now.