Fair Trade Coffee Is Good   
Opposition Brief by Chris Jeub



Several cases reference “fair trade coffee” as an application against the practice. While the practice has its problems, there is much good to be said about valuing fair trade in the international coffee trade.

In NCFCA Lincoln-Douglas Release #18: “Consensus” (NEG) (12/3/2018) by Drew Magness, the argument is raised:

Fair Trade’s most well-known endeavor is in the coffee industry. If anything about fair trade should be successful, it’d be this. According to The Property and Environment Research Center in 2011,

“That fair-trade cup of coffee we savour may not only fail to ease the lot of poor farmers, it may actually help to impoverish them, according to a study out recently from Germany’s University of Hohenheim. The study, which followed hundreds of Nicaraguan coffee farmers over a decade, concluded that farmers producing for the fair-trade market “are more often found below the absolute poverty line than conventional producers. Over a period of 10 years, our analysis shows that organic and organic-fair trade farmers have become poorer relative to conventional producers.”[[1]](#footnote-1)

This makes sense. Fair Trade producers have to pay substantial certification fees. The rich farmers can afford to pay those fees and so they reap the benefits of selling a premium priced product while the poorest lose out.

Fair Trade feels good, but it doesn’t do good.

Drew then goes into showing how bad the fair trade coffee industry is. This opposition brief challenges this argument, specifically that fair trade coffee is good. The brief also provides a couple of cards that highlights the most recent tariffs in the US trade war in regards to coffee. You should have plenty of evidence cards that may be read into the round.

The tags used in this brief include:

1. Fair Trade Coffee
2. Basic Mission of Fair Trade Coffee
3. Fair Trade Coffee builds independence for farmers
4. Fair Trade Coffee good for third world families
5. Price volatility problem for coffee growers
6. Fair Trade Coffee creates co-ops that are good for farmers
7. Fair Trade Coffee gains 10 cents per pound more than standard market coffee
8. Fair Trade Coffee practices are ethical
9. Chief Promise of Fair Trade Coffee: Reduce Poverty (not lived up to)
10. Fair Trade Coffee is fair in price, supports workers, and invests in communities
11. Fair Trade Coffee removes the middle men
12. Response to: Fair Trade is “marketing ploy”
13. Response to: Fair Trade Coffee has been taken over by big business
14. Canada Coffee Tariffs at 10%
15. Few American coffee growers: Tariffs are needed

Fair Trade Coffee Is Good

Fair Trade Coffee

“What Is Fair Trade Coffee?” Equal Exchange Coop, Accessed 12/18/18. <https://equalexchange.coop/products/coffee/faqs/what-fair-trade-coffee>

Fair Trade is a voluntary program utilized by coffee importers and food companies to create an alternative market for traditionally disadvantaged producers in developing countries, usually small scale farmers. The components include:  
- Targeted purchasing of coffee through democratically organized farmer co-operatives.  
- Agreed upon commodity floor prices that provide for a dignified livelihood.  
- Direct exports by producers.  
- A promise by importers to make affordable credit available to the farmer cooperatives.  
- A world-wide network of non-profit certifying organization.  
- A fee paid by importers and wholesalers to cover the cost of certification.  
- A seal that assures consumers that the product was fairly traded.

Basic Mission of Fair Trade Coffee

Sam Cornell. “The Pros and Cons of Fair-Trade Coffee.” Organic Consumers Association, April 5, 2007. <https://www.organicconsumers.org/news/pros-and-cons-fair-trade-coffee>

Conceptually present for at least 50 years in the U.S. and Europe, fair trade has gone through a number of incarnations. Only in the last five or 10 years has it achieved mainstream success, thanks largely to a concerted publicity campaign by an international coalition of labeling and certifying organizations. The basic mission statement of the fair-trade movement is that developing-world producers who meet certain criteria should receive a "fair" wage for the fruits of their labor. To that end, fair-trade organizations work to cut out middlemen who suck up profits, and establish cooperatives through which developing-world producers can (in theory) exercise more autonomy and leverage more power in negotiations with developing countries consumers. Making this all possible is a labeling system by which fair-trade vetted products such as coffee, tea, chocolate, and bananas get a fair-trade certified logo slapped on them, and consumers pay a little more to drink, eat, or even walk in them (there are fair-trade shoes).

Fair Trade Coffee builds independence for farmers

“What Is Fair Trade Coffee?” Equal Exchange Coop, Accessed 12/18/18. <https://equalexchange.coop/products/coffee/faqs/what-fair-trade-coffee>

Your purchase of fairly traded coffee helps build pride, independence and community empowerment for small farmers and their families. A coffee processing plant in El Salvador, community stores in Colombia, the training of doctors in Mexico, new schools in Peru - these are examples of initiatives co-ops have taken in their own communities with the income from Fair Trade.

Fair Trade Coffee good for third world families

“Fair Trade Coffee.” Grounds for Change, Accessed 12/18/18. <https://groundsforchange.com/blogs/learn/fair-trade-coffee>

Fair trade certified coffee directly supports a better life for farming families in the developing world through fair prices, community development and environmental stewardship. Fair trade coffee farmers market their own harvests through direct, long-term contracts with international buyers, learning how to manage their businesses and compete in the global marketplace. Receiving a fair price for their harvest allows these farmers to invest in their families' health care and education, reinvest in quality and protect the environment. This empowerment model lifts farming families from poverty through trade, not aid, creating a more equitable and sustainable model of international trade that benefits producers, consumers, industry and the Earth. Our Fair for Life fair trade certified label is backed by Ecocert, one of the third-party certifiers of fair trade products for the North American market.

Price volatility problem for coffee growers

“Coffee.” Fair Trade America, Accesses 12/18/18. http://www.fairtradeamerica.org/Farmers-and-Workers/Coffee

Unpredictable weather conditions due to climate change, disease and other factors mean coffee production fluctuates from one year to the next, leading to an unstable market characterized by price volatility. The knock-on effect is that farmers struggle to predict what they will earn for the next season and find it difficult to plan for their future. Most farmers know little of where the coffee they grow ends up or the price it eventually sells for. Beans pass through a complicated supply chain of growers, traders, processors, exporters, roasters and retailers before finally reaching the consumer’s cup. Exporting green coffee, which means the beans have already been processed and are all set for shipping and roasting, is more profitable. But it is an opportunity open only to farmers who can form cooperatives, invest in processing equipment and organize exportation or employ a contractor to do so.

Fair Trade Coffee creates co-ops that are good for farmers

“Why You Should Buy Fair Trade Coffee.” Serious Eats, Accessed 12/18/18. <https://drinks.seriouseats.com/2012/05/what-is-fair-trade-coffee-why-you-should-buy-fair-trade-certified.html>

In order to achieve stability, Fair Trade certifying organizations have encouraged coffee farmers with modest plots to band together and form democratically run organizations or co-ops; doing so allows the larger group to simulate an economy of scale, pooling financial resources to buy and distribute supplies evenly, and to command greater financial leverage by negotiating prices as a unified body, rather than piecemeal among the individual growers.

Fair Trade Coffee gains 10 cents per pound more than standard market coffee

“Why You Should Buy Fair Trade Coffee.” Serious Eats, Accessed 12/18/18. <https://drinks.seriouseats.com/2012/05/what-is-fair-trade-coffee-why-you-should-buy-fair-trade-certified.html>

Because a Fair Trade–certified growers group has more coffee in its combined coffers than any one member might have had on his or her own, it has a better ability to bargain with processing mills and foreign buyers for better prices across the board. Additionally, the Fair Trade certification commits potential buyers to a contract that mandates a minimum base price that's ten cents per pound above the current commodity rate, as well as a guarantee of purchase despite global price crashes.

Fair Trade Coffee practices are ethical

“Why You Should Buy Fair Trade Coffee.” Serious Eats, Accessed 12/18/18. <https://drinks.seriouseats.com/2012/05/what-is-fair-trade-coffee-why-you-should-buy-fair-trade-certified.html>

Fair Trade certification also requires that the growers group proves its own practices are within a set of ethical standards that include, among other things: acceptable working conditions, the absence of child labor, and ecologically responsible farming.

Chief Promise of Fair Trade Coffee: Reduce Poverty (not lived up to)

Colleen Haight. “The Problem with Fair Trade Coffee.” Stanford Social Innovation Review, Summer 2011. <https://ssir.org/articles/entry/the_problem_with_fair_trade_coffee>

Giuliano is among a growing group of coffee growers, roasters, and importers who believe that Fair Trade-certified coffee is not living up to its chief promise to reduce poverty. Retailers explain that neither FLO—the Fairtrade Labelling Organizations International umbrella group—nor Fair Trade USA, the American standards and certification arm of FLO, has sufficient data showing positive economic impact on growers. Yet both nonprofits state that their mission is to “use a market-based approach that empowers farmers to get a fair price for their harvest, helps workers create safe working conditions, provides a decent living wage, and guarantees the right to organize.”

Fair Trade Coffee is fair in price, supports workers, and invests in communities

Dr. Edward Group DC, NP, DACBN, DCBCN, DABFM. “7 Reasons You Should Buy Fair Trade Coffee.” Global Healing Center, October 9, 2015. <https://www.globalhealingcenter.com/natural-health/fair-trade-coffee/>

2. Fair Price. You support a fair price for products. Certified fair trade coffee has been given a base price, which is set by the international Fair Trade Labeling Organization. Therefore, you don't get ripped off, but neither do the workers that produces the beans. 3. Supports Local Communities & Workers. When you buy fair trade, organic coffee you help the workers, organizations and communities involved in the production to receive a living wage. This is a direct support against commodities practices that leave workers without the minimum salary required to have basic food, shelter, medical care and education. 4. Invests in Local Community Building. When you buy from a fair-trade producer, you also invest a small amount of your money in that local community. Whereas many coffee producers move into villages and towns and take-over local customs and culture, many fair trade coffee operatives reinvest revenues back into the local business and community. Even more importantly, fair trade producers continually offer back a social premium to specific community development initiatives in the realms of housing, healthcare, education, leadership training and women's programs.

Fair Trade Coffee removes the middle men

Dr. Edward Group DC, NP, DACBN, DCBCN, DABFM. “7 Reasons You Should Buy Fair Trade Coffee.” Global Healing Center, October 9, 2015. <https://www.globalhealingcenter.com/natural-health/fair-trade-coffee/>

That $4.00 Vente Mocha Latte you buy every day may have gone through the hands of up to ten different farmers, exporters, brokers, processors, roasters and retailers before it reached your lips. Fair trade coffee attempts to eliminate these costly middle men through working directly with cooperatives of small bean farmers.

Response to: Fair Trade is “marketing ploy”

Derrick Wakefield. “Countering arguments against Fairtrade coffee.” DRWakefield, September 24, 2013. <https://drwakefield.com/news-and-views/countering-arguments-against-fairtrade-coffee/>

Ask a Fairtrade farmer in a country such as Guatemala, for example, whether he thinks the scheme is a sham or not and, chances are, he will beg to differ. For, while no system is perfect, and though Fairtrade does get some bad press from time to time, there's no doubt that, by paying a fair price for their coffee, consumers help to ensure a better quality of life for those who grow the beans. The Fairtrade Foundation – which accredits products sold in the European Union and certain other parts of the world – has strict standards which producers must meet in order to be certified. These include a range of social, economic and environmental requirements, while inspectors must also be satisfied that a producer is actively developing farmers' organisations and improving the prospects of the growers themselves. Similarly, the Fair Trade for All certification scheme – created and overseen by Fairtrade USA – also has strict requirements growers must meet if their products are to be labeled Fairtrade when sold on the US market. Again, at its core, this scheme guarantees that growers will receive a minimum price for the coffee they grow, while rules are also in place to ensure plantations meet environmental standards and that members ensure all their farmers enjoy a good quality of life.

Response to: Fair Trade Coffee has been taken over by big business

Derrick Wakefield. “Countering arguments against Fairtrade coffee.” DRWakefield, September 24, 2013. <https://drwakefield.com/news-and-views/countering-arguments-against-fairtrade-coffee/>

Okay, so it may be true that, while just a few years ago, Fairtrade products were mainly only found in small, independent shops – or even just for sale in charity shops or at church fairs – these days, all of the world's biggest retailers stock them. Furthermore, most corporate giants – many of whom have are routinely criticised for things such as poor pay and denying their workers the right to form unions – have by now launched their own Fairtrade products. For some critics, it is this which shows just how far the Fairtrade movement has deviated from its original roots and aims. However, this coming together of the Fairtrade movement with big businesses shouldn't be dismissed so readily. For starters, since most Fairtrade coffee is grown organically and on a relatively-small scale, it means even more people are able to enjoy high-quality, great-tasting coffee rather than the far inferior products that were for so long all supermarket chains had to offer. Additionally, in many cases, this has made Fairtrade coffee more affordable, meaning more people are able to buy it. Since Fairtrade agreements guarantee growers a minimum price for their beans, it is the middlemen – such as the retailers – who take a cut, with farmers in developing countries actually benefiting from growing demand.

Canada Coffee Tariffs at 10%

Whitney Filloon. “These Are All the Foods Being Affected by Trump’s Trade War.” Eater, September 24, 2018. <https://www.eater.com/2018/7/18/17527968/food-tariffs-trump-canada-china-mexico-eu>

After the U.S. imposed steep tariffs on steel and aluminum imports worldwide, Canada retaliated with their own tariffs, which went into effect on July 1. The tariffs affect $12.8 billion worth of American goods, including foodstuffs such as coffee, whiskey, candy, orange juice, yogurt, and condiments. Coffee (not decaf): 10%

Few American coffee growers: Tariffs are needed

Donald J. Boudreaux. “There Are No Tariffs on Coffee. Care to Guess Why?” The Foundation for Economic Education, March 10, 2017. <https://fee.org/articles/there-are-no-tariffs-on-coffee-care-to-guess-why/>

I don’t think there are tariffs on coffee and I know of no organization calling for coffee tariffs. I wonder why. Great, probing question. The answer is that there are very few coffee growers in the United States. In the U.S. states, coffee is grown commercially only in Hawaii. Coffee is also grown commercially also in Puerto Rico. The result of this small number of American coffee growers is that these growers are too small in number to form a powerful-enough interest group. But, of course, coffee is consumed massively throughout the U.S. (I’m drinking some right now, by the way. It’s from Guatemala. Yum!) The pain to consumers caused by restrictions on coffee imports would be too great relative to the gains to American coffee growers; politically it would be a bad move for most members of Congress to support protective tariffs on coffee. Yet if Congress and U.S. presidential administrations really were, as their members often pretende, intent on apolitically using U.S. trade policy to “level the playing field” or to otherwise correct for distortions in global markets induced by other governments’ destructive policies, we likely should see U.S. tariffs on coffee imports.

1. <https://www.perc.org/2011/05/14/fair-trade-coffee-producers-often-end-up-poorer/> Lawrence Wilson, May 2011, Property and Environment Research Center “Fair Trade Coffee Producers Often End Up Poorer” [↑](#footnote-ref-1)