

A TASTE OF SOLIDARITY: The Holy Cross Fair-trade Coffee/Tea Project

For many of us, drinking our morning cup of coffee is as much a part of our waking ritual as getting dressed, taking time for morning prayer or heading out to spend the day at our ministry. But do we ever think about how our choices about the coffee we buy affect the lives of the coffee growers?

Coffee is the second largest U.S. import after oil, and the United States alone consumes one-fifth of the world's coffee. Perhaps, then, it is no surprise that in 1989 the



United States withdrew its support for the International Coffee Agreement (ICA), which had kept coffee prices relatively high and stable. Without U.S. participation in this agreement, prices plummeted to a 60-year low and it became virtually impossible to regulate

coffee prices and ensure that growers would receive a fair price for their beans. Recently, world market prices for coffee have fallen from a high of \$1.40 per pound in 1999 to a low of just 42 cents in the summer of 2001. The cost of production and processing for the coffee farmer is estimated to be 80 to 90 cents per pound.

The impact of low prices on the 25 million coffee-growing families and communities in developing countries has been catastrophic. Many farmers report receiving as little as 15 to 20 cents per pound for their coffee beans. In Kenya and Guatemala low prices have caused coffee farmers to leave entire crops of coffee to rot in the fields. Many small farmers have abandoned their farms and moved to cities in a desperate attempt to make a decent living.

Free Trade vs. Fair Trade

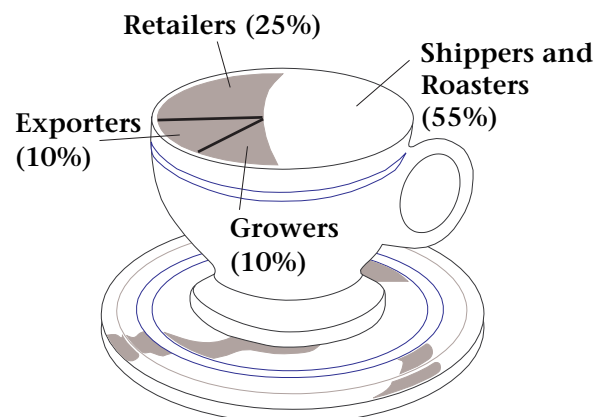
Today, coffee prices are determined by world markets that operate according to "free trade" principles. Free trade is based on the belief that the best way to provide goods and services is to give the market free reign:



eliminate tariffs and anything else that obstructs trade – "impediments" like government support for small farmers, unions to protect workers' rights or laws/practices which protect the environment.

This approach to trade takes no account of the fact that all trading partners are not equal and all products and services are not equally valued in the global marketplace. For example, small-scale farmers in the developing world are usually not able to grow enough to export directly, so they are forced to sell to "middlemen" at very low prices. Mid-level traders are also constrained because prices for most crops are set by the international commodities market and raw agricultural products are valued much lower than processed goods. Since it is rare for small farmers to do their own processing,

Who benefits from free-trade coffee?



“Thanks to God and Equal Exchange, we will not die of hunger.”

– Jose Luis Castillo Vasquez, Las Colinas Coffee Cooperative, El Salvador

packaging and marketing (as large corporations do), most of the profit goes to those who buy raw commodities and turn them into saleable products.

In short, conventional trading practice pits small producers against giant corporations.

A small farmer or cooperative in a developing country must play the same game by the same rules as huge coffee producers like Proctor and Gamble or Starbucks. That may be *free* trade, but it certainly is not *fair* trade.

The fair-trade movement operates according to very different principles from the conventional system. Fair trade

- supports local control – producers own the land on which they work and often organize democratic cooperatives;
- recognizes the right of workers to organize and negotiate through trade or labor unions;
- rejects the use of child labor;
- supports decent working conditions and a just wage;
- promotes environmentally sustainable practices;
- guarantees a price that covers the costs of production; and
- seeks to establish a long-term relationship between producers and consumers.

Fair-trade coffee programs promote an economic model rooted in the principles of justice, solidarity and sustainability. *They put people and the environment before profits.* Their goal is to build a better future for us and our global neighbors – as well as provide us with a delicious cup of fairly traded coffee!

Holy Cross Fair-trade Coffee/Tea Project

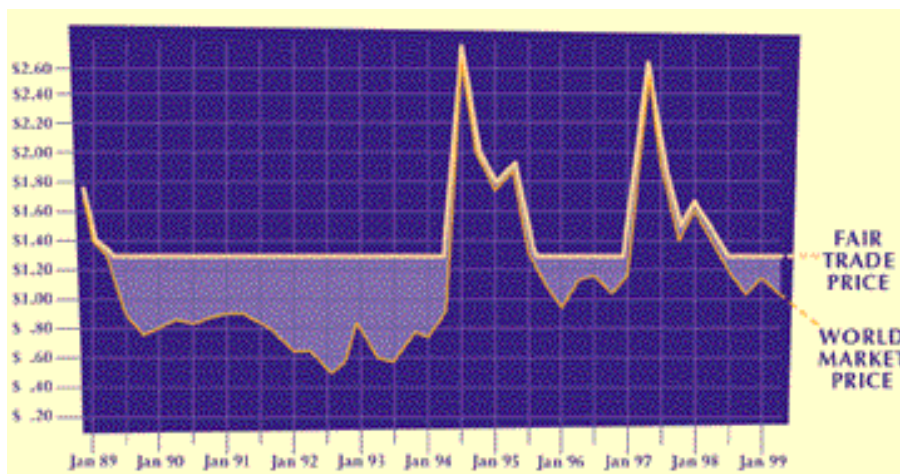
Holy Cross ministers in many places of the world in which coffee and tea are grown – Mexico, Haiti, Peru, Brazil, Uganda and India, to name just a few. Buying fair-trade coffee and tea is a very concrete way for members and friends of Holy Cross to act in solidarity not only with farmers in those areas, but also with members of our Holy Cross family living and working in developing countries.



Now, through the *Holy Cross Fair-trade Coffee/Tea Project*, members and friends of Holy Cross in the United States can purchase fair-trade coffee and tea at *wholesale prices!*

The Holy Cross International Justice Office has established a special “Holy Cross account” with fair-trade coffee/tea supplier *Equal Exchange* as part of their Interfaith Partnership Program. *Equal Exchange* was the first coffee trader in the United States to adopt fair-trade standards in 1991. Recently, it established the Interfaith Partnership Program with Catholic Relief Services (CRS) and other major denominations to encourage church communities and faith-based organizations to promote fair trade. Our Holy Cross account is part of the CRS *Coffee Project*.

Equal Exchange follows fair-trade standards on 100 percent of its coffees and teas and ensures that more money reaches the people who do the hard work of growing and harvesting. For example, *Equal Exchange* guarantees farmers a





minimum of \$1.26 per pound for conventional coffee and \$1.41 for organically grown coffee. If the world price goes above \$1.26 a pound, it pays the higher price plus a 5-cents-a-pound fair-trade premium.

In 2003, *Equal Exchange* paid over \$2 million to small

farmers in above-market prices – income that offered hope and the promise of a better life to the farmers themselves, their families and their communities. In addition, for each purchase made through the Holy Cross account, *Equal Exchange* will make a contribution to the CRS Small Farmers Fund. This fund supports community-based initiatives in coffee-growing regions around the world.

Ordering through the Holy Cross Account

Any member of Holy Cross in the United States – as well as our families, friends, co-workers and sponsored institutions – may order through the Holy Cross account and pay wholesale prices.

Ordering is by the case only:

- A case of coffee is six 12 oz. packages (whole bean or ground); a sample price is \$27.00/case or \$4.50/package.
- A case of tea is 12 boxes of 25 bags; a sample price is \$30.00/case or \$2.50/box.

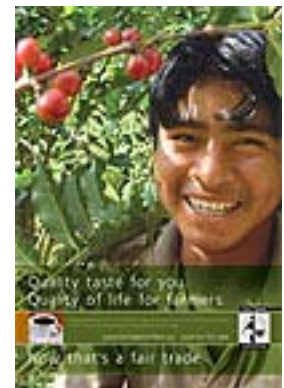
U.S. shipping costs are:

- \$3.50/case; **free on orders of four cases or more.**
- \$1.75/case if ordered on-line through the *Equal Exchange* web store: <<http://store.yahoo.com/equalexchange>>.



How to order:

- By mail or fax: Complete the enclosed CRS Order Form, noting that you are part of the Holy Cross account, and send to:
Equal Exchange – Interfaith Program
50 United Drive
West Bridgewater, MA 02379, USA
Fax: 508-587-0088
- By phone: Call 774-776-7400. Tell the Interfaith Partner representative that you are part of the Holy Cross account when giving your order.
- On the web: <www.equalexchange.com>.
 1. Click on the Interfaith On-line Store. In the menu on the left, click on the icons for products you want to order – packaged coffees, teas, etc.
 2. Make your selections and go to the shopping cart screen to review your order.
 3. The first time you shop, you will have to register with a customer ID and password. You may choose any ID and password you wish. Also, the first time, you will have to fill out a profile with the following information:
 - a. Customer ID (the ID you just selected)
 - b. Congregation/Organization: It is important that you include “**Holy Cross – Catholic**” here
 - c. Address information
 - d. Tax exempt certification number (only if you reside in Massachusetts)
 4. Click on “view basket,” review your order and then check out as usual – you will need to give credit card information.



However you order, it is important to do so through the Interfaith Partners Program and to mention that you are part of the Holy Cross account.

To obtain additional copies of the CRS Coffee Project order form, you may

- download a copy at <www.catholicrelief.org/fairtrade/coffee/order.cfm>.
- e-mail interfaith@equalexchange.com and ask for the CRS Interfaith Order Form.

The Holy Cross International Justice Office urges you to be part of the fair-trade movement. There are many ways to participate:

- Buy fair-trade coffee, tea and cocoa for use in your local community and place of ministry. True, it probably costs a little more than what you currently pay, but the additional expense is the price of justice and solidarity!
- Encourage your parish to serve fair-trade products at their coffee hours and other gatherings.
- Sell fair-trade products as a fund-raiser for your place of ministry.
- Give fair-trade coffee and tea as gifts to your family and friends.
- Share information about fair-trade products with your co-workers.
- Encourage local supermarkets to carry fair-trade coffee and tea and thank them when they do.
- Encourage your Congregation to invest financially in fair-trade initiatives.
- Educate yourself and others about fair trade and other economic justice issues and work for just trade policies and practices.

Fair trade *does* make a difference. Wherever you can, however you can, spread the good news about fairly traded coffee, tea and other goods and encourage everyone to participate in the movement. The choices we make about the coffee and tea we drink directly affect the quality of life for our sisters and brothers throughout the developing world!

"It is very important for you to know that fair trade leads to better roads, better health and better lives for farmers, not just in Nicaragua, but around the world."

– Rosario Castellon, former director,
PRODECOOP, Nicaragua



Kafé Haiti



Haiti was the world's largest coffee producer in 1800 and the third largest in 1950, but due to deforestation, migration and IMF-imposed structural adjustment policies, Haiti exports very little coffee today. One of the remaining producers is Coopérative des Planteurs de Café de l'Arrondissement de Belle Anse (COOPCAB), an *Equal Exchange* partner. COOPCAB is a union of seven cooperatives located in the southeast of Haiti. The union currently consists of more than 1,600 planters, including 572 women.

COOPCAB's coffee production is part of a general agricultural program that includes crop diversification, credit assistance and reintroduction of the creole pig. The union is headquartered in the area recently hardest hit by flooding and COOPCAB is currently participating in the relief efforts.

Equal Exchange markets the coffee from COOPCAB as "Kafé Haiti." Kafé Haiti is a lively medium roast with a pleasant aroma and slightly spicy taste. It is a great choice if you are looking for something not too dark and "roasty," yet flavorful and exciting.

Try some Kafé Haiti and support our sisters and brothers in Haiti!