



# Santa Cruz Coffee Roasting Company

## Testimony by Colleen Crosby on the Coffee Crisis in the Southern Hemisphere

5/8/2003

As a roaster who has conducted a family business in the US for twenty-four years, I am embarrassed to report that until the SCAA Convention of 2000, I was unaware of how low prices had destabilized whole communities in Central and South America. At that same convention, I learned about the powerful alternative of Fair Trade. Last Friday, in a congressional hearing here in these chambers I heard a statement that I would like to quote again. "...Through the conduct of business, human happiness or misery is inextricably woven."

During my first visit in January of last year to Nicaragua I witnessed the hardships that farmers suffered from the low coffee prices: not enough food or clothing for their family, malnourished children whose smiles had missing teeth and were frequently sick because they lived in shacks with dirt floors and slat walls that didn't protect from rain or cold.

During this tour of the coffee countries, I met Jaime Azcárate, a member of the Colombian Coffee Federation. As we traveled through Nicaragua, I asked him: "Are other coffee farmers suffering the same way in the other countries? Are coffee farmers this poor everywhere, can they not feed their families, can they not cloth them? Are the schools closed in the coffee farmlands? What do the children do?" Jaime told me that the Coffee Crisis has affected all the countries in Central and South America he has visited. He said farms are being abandoned and farming families are fleeing to the cities. He also said that being poor in the cities was even more difficult than being poor on a farm. In the city disease has spread rapidly and gangs have dominated the streets. In Managua we saw children living in playhouse size cardboard huts in parks and sniffing glue to diminish hunger pains. I could then understand why families clung to their farm to avoid the living hell of these horrific slums and replaced coffee with cocaine in order to keep their farm.

We visited fair trade farmers in Esteli, Nicaragua who had been able to hold onto their land because they received a fair price for their coffee. The fair trade cooperative provided the farmers with an education and the ability to plan for their future. These farmers had hope and were able to support their families. I saw the Fair Trade Cooperatives schools that were built. I visited Community Centers that provided health care and vaccination programs for children. I witnessed that through Fair Trade Coops farmers attained a sustainable income and did not have to rely on Illegal Trade or U.S aid.

For the next six months Jaime and I emailed each other almost daily. I told him how the news was beginning to inform American consumers about the coffee crisis, and how Fair Trade Certified was beginning to be recognized and demand was growing in the US.

But it seemed hopeless at times that it wasn't growing fast enough. I received an email from Jaime on the first round of layoffs in the Colombian Coffee Federation. He wrote that the women and men in the office were crying as they were given their termination notices, that unemployment was around 20% in Colombia at the time, that these layoffs would increase the unemployment rate and that with the armed conflict increasing there was no future. Soon another layoff happened at the Federation and then another, as the coffee prices continued to fall.



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In another email he wrote that the Federation had begun terminating critical social programs provided to farmers. He was worried about the impact that would have the farmers' communities and their future.

In April that year, Jaime and I met again at the SCAA. I was a speaker on a panel presentation on the success of marketing Fair Trade coffee at the SCAA National Convention in Miami. I encouraged roasters and retailers to promote Fair Trade coffee because I witnessed how it saved the lives of children and how it help to build self-reliant communities no longer dependent on charity or US aid. I spoke about how fair trade was absolutely necessary to guarantee the future supply of specialty coffee and how it was vital for our own survival.

Shortly after the convention, the Colombian Coffee Federation invited me to Colombia. I visited mills, schools and farming communities. I met with the COSURCA farmers from Popayan in Southern Colombia whose families had been growing coffee longer than our family had been roasting it. They remembered how decades ago their entire family sat at dinner together. They remembered their sons leading the family prayers. They remembered the pride of their fathers watching them learn the family trade and eventually taking charge of the family farm. When coffee prices continued to crumble, farming coffee no longer provided food for their families. They were forced to continue with the only crop they knew could generate good cash income, one of the few crops that grows at these high altitudes and is also a cash crop, heroin poppies. Their eyes conveyed the tragedy that soon followed.

They told me that as the drug lords came into their community to buy this new crop, heroin, that the drug lords would force their sons to join the drug lord's army. As these farmers spoke to me they expressed much sadness and anger as they recalled the loss of their sons to the lords. Soon the farmers had no choice but to grow heroin, if they stopped growing it the drug lords would be kill them. The farmers lost their sons, their culture, and their community.

Then the farmers told me that they took a stand against the drug lords, which meant that some farmers sacrificed their lives. They organized a Fair Trade Coffee Cooperative. They began to replace the heroin poppies with coffee trees, more than 1047 acres. Europe had been purchasing their fair trade coffee for a few years, and by receiving that price the farmers continued to take back their community. They introduced me to two of the young men from their community; they said they were learning the trade of farming coffee instead of heroin farming. We shook hands and I promised that as soon as their coffee came to the US, I would purchase and inform our community about their lives and their struggle. A few months later, their first shipment of a container of fair trade coffee was shipped to the US and I emailed them that our customers loved the great quality and appreciated their efforts to take back their community. The container of coffee was soon completely sold and we had to wait for the next shipment to purchase more. Because of Fair Trade prices they have been able to prevent the planting of close to 4500 acres of coca and poppy plants.

Especially appreciative of the farmer's lives in Colombia was Mr. Alejandrez from Barrios Unidos of the United States. He had joined me on this tour of Colombia. We had visited another group of young farmers who recently formed a cooperative. We drove in jeeps to their farms in the mountains of Valle del Cauca where, in spite of the armed conflicts, these young farmers proudly focused on producing a premium quality coffee. They once lived in Cali and other major cities without the possibility of ever providing a real home for a family. The ASOJAV Cooperative is devoted to training young people from the cities in order to provide them with a future. These future



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farmers are necessary for the continuing supply of coffee to the world. Living in a bamboo house he had built by hand and with newborn twins to feed, we visited one of these young farmers, Jose Angel Garzon, who grew coffee on the slopes of Seville. He is a proud, strong and determined farmer. But the last email I received from Francisco in Colombia stated that Jose was struggling to feed his family and that his twins were sick. Francisco wrote that a month ago during the armed conflict in the hills, bombs destroyed the water lines to the coop's farms.

Jose asked me in front of the 65 young farmers at their ASOJAV Coop meeting in Federation Offices of Tulua: "Why don't Americans care?" I faced the farmers and answered his question: "Americans care, Americans have a big heart. They just don't know, the news isn't informing them. When they are informed they do care. When they know how to make a difference, they act. In Santa Cruz where I am from, they know about Fair Trade and they buy it. They value the quality of life and the quality of coffee derived from Fair Trade."

Jose is still determined; he is preparing to harvest the crop next month in September and plans to ship it to America in October. With all his hard efforts to farm during the armed conflict, he hopes he will get a fair price that covers his costs to produce coffee and provides him with some extra to feed and clothe his twins.

This farmer's pride brought tears to the eyes of Mr. Alejandro, director of Barrios Unidos, a national organization in the US that works to bring Latin youth out of drug gangs and into recovery and cultural programs. Mr. Alejandro told us in the jeep as we left Seville and the young farmers, that he was crying because on the Barrios Unidos financials there is a funeral expense account for unknown American youths that will die this year due to drugs and gang violence. He hoped the Latino youths at risk in the United States might learn from these young farmers in Colombia and develop that same pride and spirit of determination.

Two months later, my family and I went to Nicaragua to film the documentary "In Our Hands: Sustainable Relationships in Specialty Coffee." Coffee prices had continued to fall and conditions had worsened. Miles of coffee farmlands were abandoned and overgrown with weeds. In southern Nicaragua we visited Jinotepe; the mayor told us that unemployment had escalated to 80% in his city. He said farmers who don't sell coffee don't buy bread from the bakery or meat from the butcher. In northern Nicaragua, we saw thousands of families that were living under plastic sheets on the streets of Matagalpa and San Ramon. We purchased a truckload of food and drove it to the mayor of San Ramon. He thanked us and said the truckload of food would feed the families for one day. A few days later in Matagalpa, the Nicaraguan newspaper reported that three children of coffee families had died from starvation that week and that 12,000 coffee refugees were fleeing the farmlands to setup camps in the city.

Peter Fritsch reported in the Wall Street Journal: "... the collapse of world coffee prices is affecting an estimated 125 million people, [resulting in] a combustible brew of unemployment, hunger and migration."

I want to close with my opening statement that through the conduct of business, human happiness or misery is inextricably woven. I urge the US government and all consumers to purchase Certified Fair Trade Coffee and to support the House Resolution 491 and also to work hard on this quality control issue.

Thank you.