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The Dark Side of Coffee

How many times have we heard the phrase “I need coffee to survive”? Ironically, no one thinks much about where this coffee comes from. People just get in line at Starbucks and sip out of the hot cup. Coffee has different exporters across the globe but “Mexico grows more organic coffee than any country.”¹ Since I have an interest in the commodities my homeland has to offer, coffee seemed to be a great choice. The social and environmental relations necessary to get this commodity start with the state of Chiapas, one of the main producers of coffee in Mexico. Due to its rich biodiversity and tropical climate, crops are able to grow easily in this area. Chiapas is home of Selva Lacandona (Lacandon Rainforest), which has an avast amount of coffee crops. While growing coffee in Mexico increases the Mexican economy, and helps to fulfill the world demand, it comes with dark consequences. Producing and distributing coffee becomes complicated when issues such as child labor and injustice towards laborers become present. This research paper will evaluate the commodity, starting with the history of coffee to its distribution, and methods of complying with increasing demand.

Origins

Coffee has been around for centuries and the origins are hard to pinpoint. However, it is believed that coffee comes from Ethiopia, where it was first identified.² The Ethiopian legend tells the story about a goat owner named Kaldi discovering coffee’s effects after he saw that his goats could not sleep after eating the coffee bean plant.³ After it’s discovery, coffee was later transformed into a commodity when it was harvested and traded amongst the Arabian Peninsula in the 16th century between Persia, Egypt, Syria, and Turkey.⁴ As the years went on, coffee became more and more popular when the concept of coffee houses started to develop. Due to its popularity, it arrived in

¹ “REPORT #74 June 1999 LACANDON JUNGLE MAYA CO-OPERATIVE SERVES AS ROLE MODEL FOR BELIZE.” *LACANDON JUNGLE MAYA CO-OPERATIVE SERVES AS ROLE MODEL FOR BELIZE*, *Belize News*, ambergiscaye.com/BzLibrary/trust74.html.

²The History of Coffee.” *NCA - National Coffee Association USA - Est. 1911*, www.ncausa.org/About-Coffee/History-of-Coffee.

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⁴ IBID

Europe in the 17th century but was initially not widely accepted. There was a conflict of whether or not the taste was pleasant or spiteful because some liked the bitter taste, while others did not.⁵ Such controversy led Pope Clement VIII to try the beverage for himself, and the debate was settled when he loved the drink. Later on, people started to drink coffee during breakfast which gave them the feeling of having more energy throughout the day and led to increased performance during their jobs. This led to an increased use of coffee and helped to make it more popular.⁶ The use of coffee houses also continued to increase in the Netherlands, France and Spain. The control of the resource has changed over time, as different areas of the world have both harvested it, consumed it, and produced it. The reason why is due to the large demand of coffee globally. Each part of the world has to harvest coffee on its own side of the globe. In terms of the export of coffee, it finally reached Mexico during the Spanish conquest. The Spaniards brought the crop to Veracruz, Mexico which later got transported to the south of Mexico, particularly in the states of Oaxaca and Chiapas.⁷ Due to the Spaniards' little investment in coffee, it became an indigenous commodity. It was planted in rural areas, specifically amongst the mountains in Chiapas and continued to be cultivated by indigenous tribes who became owners of the land. This is why coffee is still controlled by indigenous coffee planters in Mexico today.⁸

Location and Environmental Impact

A popular location for these indigenous tribes is the inside of the Lacandon Rainforest. This forest is home to the famous mountain Sierra Madre which is a mountain that ranges across North America, specifically between Chiapas and Guatemala.⁹ Since it is widely known that coffee is produced by indigenous tribes, the coffee from this region is often referred to as Mayan coffee. The main environmental impact that harvesting the coffee has is due to the planting process. In order to plant a new crop, the old one has to be completely burned which is slowly destroying the rainforest.¹⁰

Production, Statistics, and Regulations

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⁷Ryan, Chris. "Let's Talk Coffee®: Exploring Mexico's Coffee History." *Let's Talk Coffee*, 8 Aug. 2016, www.letstalkcoffee.org/lets-talk-coffee-exploring-mexicos-coffee-history/.

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⁹ Engerrand, George C., and Henry J. Bruman. "Sierra Madre." *Encyclopædia Britannica*, Encyclopædia Britannica, Inc., 12 Feb. 2014, www.britannica.com/place/Sierra-Madre-mountain-system-Mexico#ref465962.

¹⁰"Primary Geography, Mexico, Mexico - Changing Environments, The Impact of Coffee Bean Farming on the Mexican Rainforest." *BBC Two*, BBC, www.bbc.co.uk/programmes/p01157t2.

The production of coffee is in the form of a cash crop, meaning that the crop is harvested for commercial value rather than personal use. The coffee is “grown beneath a forest-like cover and occupies ranges of elevations.”¹¹ The production of coffee is so vast in Chiapas that there is 72,021 producers, representing 26% of the entire producers population in Mexico.¹² In addition, 29% of Mexico’s coffee area is in the Lacandon Rainforest and has an entirety production of 31%.¹³ Due to its significant numbers, it is no surprise that coffee plays an important economic role. After the signing of The International Coffee Agreement (ICA) in 1989, the price of coffee collapsed since Mexico had to invest more money to comply to set regulations.¹⁴ Regardless of this, the demand for coffee did not decrease. It continued to rise and the production of Mexican coffee has grown steadily since 1930.¹⁵ The Mexican government realized that they needed more infrastructure and control over the coffee industry. To achieve this el Instituto Mexicano del Cafe (IMC) was developed with the mission “to increase presence in the state”¹⁶ by regulating coffee producers and landowners. The increased involvement of the government was so successful that the production of coffee in Mexico has tripled since the 1950s. To grasp a better understanding of the high production of coffee that occurs in Lacandon, each producer “holds 5 hectares of coffee” which “accounts for 91% of the coffee growers in the state.”¹⁷ These producers control 61% of the coffee land and are responsible fo 59% of the total production.¹⁸

Labourers and Outside Organizations

Due to it’s producers being indigenous people and the recent uprising of the Zapatista movement, the IMC encourages that the indigenous people keep producing, distributing and running the coffee business.¹⁹ Regardless of the government's involvement in the coffee production, there is still circumstances where the production of coffee in Mexico breaks the law, starting with it’s labourers. Child labor is common in the indigenous areas. Even though part of the ICA is to not allow those under 15 years old to work, children as little as 6 years old can be found working in the coffee

¹¹Rice, Robert A. “The Land Use Patterns and the History of Coffee in Eastern Chiapas, Mexico.” *Smithsonian Migratory Bird Center, National Zoological Park, Washington, DC USA*, pp. 127–143., <https://pdfs.semanticscholar.org/a17a/c53817c1f61d889ed1f4f80cbf489759583a.pdf>.

¹²Rice, Robert A. “The Land Use Patterns and the History of Coffee in Eastern Chiapas, Mexico.” *Smithsonian Migratory Bird Center, National Zoological Park, Washington, DC USA*, pp. 127–143., <https://pdfs.semanticscholar.org/a17a/c53817c1f61d889ed1f4f80cbf489759583a.pdf>

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¹⁹The History of Coffee.” *NCA - National Coffee Association USA - Est. 1911*, www.ncausa.org/About-Coffee/History-of-Coffee.

plantations. In addition to this issue, the workers face environmental hazards due to them collecting the coffee in the middle of the jungle which can cause exposure to insect bites, venomous plants, and wild animals. The environmental conditions for the region of extraction and harvest are hot and humid since it is in the middle of the rainforest. The workers also face health hazards as they have poor living conditions, long hours working under the sun and their only food source being tortillas and beans.²⁰ Due to the lack of money invested in the coffee industry, there is limited monitoring which means that even large companies like Starbucks and Nestle, which depend on coffee exportation from Chiapas, cannot be sure if their producers participate in child labor.²¹ Child labor occurs because adult coffee labourers have nowhere to leave their children while they go to work, and it is a better option to bring them along as they desperately need the extra income. The lack of transparency between the production of coffee and its consumers allows the injustice and illegal acts to be overlooked. Adults earn as little as \$4.50 per day, being stuck on a circle of perpetual poverty.²² In addition, the coffee collected is not 100% sanitary as the area is very close to the holes on the ground that people use as toilets. Due to rainfall, percolation, and translocation, the human waste polluted waters reaches the coffee grounds, polluting them.²³ To prevent the practice of illicit activity, both the Mexican government, the 4C (Common Code for the Coffee Community), Fair Trade USA, Fairtrade International, Rainforest Alliance and Utz, make inspection visits to the coffee plantations every year to every 3rd year.²⁴ However, these practices have been proven to be ineffective. The labourers know when the inspector is coming, which allows them to hide and fix all the illicit activity and only about 1% of all the farms in Chiapas and in the Lacandon region is inspected. In addition, the labourers are not organized by a union or cooperative which further allows for the poor working conditions. Due to the location of the coffee plantation having a border with Guatemala, it is easy for Guatemalan labourers to also harvest the coffee. Therefore, there is a significant amount of Mexican coffee sold through Guatemala, which is not reflected in the sale or production numbers. The immigrant workers are also paid less than the Mexican labourers and treated poorly.

²⁰Stern, Marcus, et al. "The Source: Human Cost Hidden within a Cup of Coffee." *The Weather Channel*, Telemundo, <https://features.weather.com/theforce/>.

²¹IBID

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Demanding Corporations

Mexican farm owners are not the ones to blame for the poor working conditions and housing for the laborers since they are usually poor themselves, and live under the poverty line. The people to blame are those in big corporations such as Starbucks and Nestle, which turn a blind eye to the injustice in coffee production and continue to make millions²⁵. Regardless of the efforts made to make this commodity as legal as possible, it comes with implications such as child labor, poor living conditions for the workers, and exploitation of the labourers.

Refining

The whole process of refining happens in Chiapas by indigenous companies, guaranteeing the coffee to be organic; however there are also private companies that take care of this process too. The coffee takes a whole year for completion starting from the moment the red ‘cherries’ (how coffee is referred before it undergoes the refining process) are collected. It undergoes a process of four steps; first the pulp is removed and washed (wet profit), second it is dried and the shell is disposed of (dried profit), third it is selected by the categories of size, appearance, and color, and fourth it is roasted and then pulverized.²⁶ By the end of the process the coffee is ready to be distributed and sold.

Transportation

The transportation of this product is not controlled by a single entity but rather undergoes many stages. It first travels several miles by human labor amongst La Ruta del Cafe, where the labourers walk miles with sacks as heavy as 150 pounds of coffee on their backs. Then it is transported by either mule or donkey to the refineries.²⁷ Then the coffee falls into the hands of a Coyote, which sells and distributes the product. It is estimated that the product is sold as much as 15 times before it reaches its consumer.²⁸ After it reaches the Coyote it is hard to keep track of the exact route the coffee takes, but it is not limited to airplane, train, or car. Due to the selling by Coyote, it is unregulated and there is no information on how the coffee reaches the big companies or its environmental impact.

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²⁶ Parra de Zebadua, Blanca. “Coffee Questions.” 19 Apr. 2018.

²⁷DeAngelis, Amelia M. “Coffee, Mexico's Other Bean: An Examination of the Globalization of the Coffee Industry, Its Impact on Mexican Villages, and the Possibility of Surviving the Grind.” *Open Scholarship*, Washington University Global Studies Law Review, openscholarship.wustl.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1261&context=law_globalstudies.

²⁸IBID

Price

Since there is a middle man between the sale of the coffee and its production, the price of it turns out to be generally inflated. Having in mind that the average coffee labourer gets paid \$4.50, and that is the same as one cup of coffee, the price is drastically inflated since it is originally bought for \$.30 per pound²⁹. The price of coffee is particularly determined by the offer and demand for coffee.³⁰ There are many companies which sell this commodity, however for the purpose of this research, it will be focused on Starbucks. Its headquarters are located in Seattle and it is a multibillion dollar industry. As of 2017, its net profit margin is of 12.89%.³¹ The average employer at Starbucks, specifically a barista makes up to \$10.28 hourly (varies from state), which is a drastic difference from the coffee labourers.³² Due to the disconnection between obtaining the commodity and selling the commodity, Starbucks supports the unfair living of coffee labourers since even though they are aware of the conditions due to C4, they decide to turn a blind eye and keep making a profit.

Endlife

The endlife of this commodity is the steaming hot or icy cold cup of coffee sitting in front of the consumers eyes. Due to it being a drink, it is reintroduced to the environment in the form of waste and cannot be reused, recycled, or resold. No organization is accounted for its disposal. The environmental geopolitics of this is the trade between countries to export coffee, the involvement of the government in the commodity, and the demand for coffee.

Improvements

The better way to extract the coffee in a socially sustainable way is to regulate the coffee plantations more. The vast amount of coffee plantations and the little regulations of it allows for a lot of illicit crimes to be committed. By increasing regulation, a fairer industry would be born. The obstacles in implementing these alternatives is the lack of money invested in organizations that can regulate the production of coffee, the corruption in the Mexican government and the fact that big companies would make less money if the new regulations were implemented.

Research Process

²⁹DeAngelis, Amelia M. "Coffee, Mexico's Other Bean: An Examination of the Globalization of the Coffee Industry, Its Impact on Mexican Villages, and the Possibility of Surviving the Grind." *Open Scholarship*, Washington University Global Studies Law Review, openscholarship.wustl.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1261&context=law_globalstudies.

³⁰Parra de Zebadua, Blanca. "Coffee Questions." 19 Apr. 2018.

³¹"Starbucks Corp. (SBUX) | Profitability." *Stock Analysis on Net*, www.stock-analysis-on.net/NASDAQ/Company/Starbucks-Corp/Ratios/Profitability.

³²"Starbucks Corporation." *Starbucks Hourly Pay | PayScale*, www.payscale.com/research/US/Employer=Starbucks_Corporation/Hourly_Rate.

As a whole, researching this commodity was not very difficult. The only dead end that I encountered was the exact route of the coffee going from producer to consumer due to the lack of documentation and regulation of it. I started this process by first booking an appointment with a librarian where I learned how to use the search engines that BU provides. Then I chose a commodity, which ended up being coffee. Most of the information was available online but I did try to contact the Fideicomisos Instituidos en Relación con la Agricultura to grasp a better idea of the coffee agriculture, and to C4 to ask about the aspects a coffee plantation must have in order to be certified but but did not receive a response to my emails. I lastly interviewed my aunt, Blanca Parra de Zebadua. She used to own a coffee business in Chiapas and I asked her about the agricultural process, the demand for it, and how inflated the cost of coffee is. Besides that most of the information was available online on scholar journals and investigations.

Conclusion

I have learned the complications, long process, injustice, and corruption that comes from a single commodity as common as coffee. This product plays a role in local geopolitics as it affects the labourers, increasing corruption and exploitation of workers. It plays a role nationally as Mexico is one of the main producers increasing its economy and helping Chiapas to stay above the poverty line. It plays a role globally as it is a high demand commodity that is consumed all over the world and has global companies like Starbucks demanding for its production. My relationship to this commodity is that my aunt used to own a business and it is produced in my home country. This commodity reveals the extent at which a commodity as simple as coffee can be corrupted, and how the greed for money leads to the 'little people' to be overlooked at and taken advantage of. I did not expect for the coffee business in Mexico to be corrupt at all, and I am vastly surprised with my findings. In addition, some of the scholarly sources that I used had elaborated vocabulary that was difficult for me to comprehend. I hope to see improvements in the coffee industry and for the first time in my life, I am glad that I do not like coffee.

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