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Introduction

Fair trade is a form of alternative trade that seeks to improve the position of disempowered small-scale farmers through trade as a means of development. The movement, which promotes labeling, certification, and consumer action, rejects the narrow view of third-world producers as victims and instead emphasizes the role that northern consumption can play in their economic empowerment and well-being. Its supporters argue that it contests the conventional agro-food system and the exploitative relations of production characterizing it. The growing popularity of fair-trade coffee reflects our own cultural assumptions and anxieties surrounding free trade, corporate globalization, economic injustices, and the politicization of everyday consumption practices. In recent years, the United States has emerged as the world's largest fair-trade market. In 2008 over 87 million pounds of fair-trade-certified coffee were imported into the United States from more than 250 producer organizations around the world. TransFair USA estimates that in 2008 alone sales of fair-trade-certified coffee in the United States generated more than $32 million in additional income for coffee farmers (TransFair 2009). Although overall coffee sales are stagnant, specialty coffee sales have grown at 13 percent per year over the past decade, and certified coffees, such as fair trade, account for close to 4 percent of the world market (Giovannucci and Villalobos 2007). Fair-trade products on the whole still represent a minor share of the world market, currently about US$4 billion; however, the worldwide retail value of fair-trade sales increased 22 percent in 2008 (FLO 2009).

In 1977, long before the fair-trade coffee market began its rapid expansion, a small group of Tz'utujil Maya coffee farmers met under the shade of a ceiba tree in the center of their Guatemalan village, San Juan La Laguna, located on the shores of Lake Atitlan. They formed a cooperative that day, La Voz Que Clama en el Desierto ("A Voice Crying Out in the Wilderness"), which today sells more than eight containers of fair-trade and organic-certified coffee to the second-largest specialty coffee roaster in the United States, Green Mountain Coffee Roasters. In turn, Green Mountain retails the members' coffee to consumers like you and me. They sell the coffee online and in offices, supermarkets, and McDonald's outlets. The growing market share of fair-trade and organic products in U.S. retail outlets indicates that as consumers we increasingly accept the notion that our individual shopping habits can radically alter the conditions of production in distant locations. We are told that simply by sipping our morning cup of organic fair-trade coffee we are encouraging environmentally friendly agricultural methods, community development, fair prices, and shortened commodity chains. The pictures of smiling, dark-skinned farmers adorning coffee bags and decorating corner coffee shops readily convince us that, in the words of Green Mountain Coffee Roasters, we can "Taste a Different World."

The central goal of this book is to explore this "different" world by employing fair-trade coffee as an entry point for analyzing what it means for producers, consumers, and intermediaries alike to have an identity that is simultaneously embedded in local circumstances *and* shaped by a growing role in global spheres of exchange and commodity flows. As the privileged consumers of fair-trade coffee, it is easy to imagine that we are the primary actors in this commodity circuit, for without our interest and disposable income, the market would not exist. However, the members of La Voz, whose lives seem so distant from our own, work together with coffee roasters, importers, and certifiers in the United States to construct coffee's meaning and the ways that it is marketed and consumed in coffee shops and homes across the country. *Coffee and Community* critically evaluates the collective action and combined efforts of fair-trade network participants to construct a new economic reality, demonstrating that while fair-trade confers many positive benefits to small farmer communities, there are also significant drawbacks to their participation in this transnational commodity circuit.

SO, COFFEE GROWS ON TREES?

Before beginning this research on coffee in 2000, my knowledge of coffee production and trade was limited to a vague notion that Colombia's coffee was high quality (like most Americans my age, I had been bombarded with advertisements of Juan Valdez and his cute burro since childhood) and that the owners of Central America's vast coffee plantations were somehow responsible for the violent civil wars that region experienced during my youth. I smugly patted myself on the back for being a sophisticated consumer who shunned the cans of Folgers and Maxwell House that sat in my parents' kitchen cabinets in favor of the colorful (and significantly more expensive) bags on the shelves of the local natural-foods store. I always bought my coffee on the go from the "gourmet" shops, such as Starbucks and Caribou, adjacent to campus—I would never deign to show up in class carrying a generic cup of coffee from the cafeteria. More recently I have listened to many coffee consumers share their firm conviction with me that Ethiopian coffee is the highest quality, that Jamaican Blue Mountain and Hawaiian Kona coffee must be superior because they certainly cost more, or that they *would* buy fair-trade or organic coffee but it simply does not taste as good. Like me, very few of them knew that coffee grows on trees, in very specific locations, and that quality has much more to do with altitude and processing than it does with sleek advertising campaigns and high prices. As with so many commodities, we consumers are largely ignorant of the complex web of ecology, capitalism, and human relationships that delivers these dark beans to our kitchens and favorite neighborhood coffee shops.

The ecology of the coffee plant makes it a tropical commodity. For example, *Arabica*, the variety of coffee marketed as specialty or gourmet (and produced by the members of La Voz), requires between seventeen and twenty-five degrees Celsius and a minimum of 1200 to 1500 millimeters of annual rainfall with an approximately three-month-long dry season (Talbot 2004:31). When planted at lower altitudes in the tropics, *Arabica* is susceptible to disease and fails to produce the desirable "hard bean" found in the colder climates, which encourage a slower-maturing fruit. On the other hand, *Robusta* coffee, commonly used in conventional coffee blends, can be grown at much lower altitudes (e.g., in Brazil and Vietnam). The certified-coffee commodity network, which is the subject of this study, begins in San Juan's patchwork of small coffee fields and ends in the cups of U.S. consumers. Producing high-quality, certified coffee requires almost daily attention. In San Juan, as in many Latin American coffee communities, this labor primarily falls to the male heads of households and, depending on the size of the family's holdings, their sons. However, during the coffee harvest between December and March, wives, younger children, and, if necessary, hired *mozos* (day laborers), work together to pick the cherries by hand as they ripen and carry them on their own backs, using a tumpline, or on their horses each afternoon to the *beneficio* (wet mill), where it is weighed and emptied into the washing tanks. Because coffee cherries quickly begin to ferment, they must be washed within several hours of being picked. After washing, the pulp of the coffee cherries is removed by machine, releasing the two coffee beans inside. Under the supervision of the four beneficio employees and regular rotating overnight shifts of cooperative members, the beans then ferment in water for twenty-four to forty-eight hours. After fermentation, the remaining pulp is washed off and the beans are spread on a patio to dry, which can take up to three days because of San Juan's high altitude (approximately 1,500 meters). The coffee is then bagged and shipped to a mill in Guatemala City, where the final parchment skin is removed during dry processing. It is then shipped to Green Mountain Coffee Roasters in Vermont, where it is roasted and marketed to consumers. The Guatemalan highlands produce some of the highest quality and distinctively flavored coffees in the world. The members of La Voz grow *Typica*, *Bourbon*, and *Caturra* varieties of fair-trade and organic-certified coffee. Nurtured in fertile, volcanic soils under a diverse shade canopy, these coffee beans have a good balance of acidity and body that is spiced with a hint of winey ferment and fruit flavors.

Coffee's introduction to Latin America during the second half of the nineteenth century intensified existing transnational flows and affected diverse individuals and landscapes. Historically, Latin America dominated coffee production, and at one point in the nineteenth and twentieth centuries coffee was the leading export of nearly half the countries of the Americas and an important secondary crop in others. Today it remains a major export in many Latin American countries. In Guatemala, coffee cultivation and the exploitative political and social structures that supported it did indeed contribute to the civil unrest that resulted in the nation's civil war and continues to shape the political, economic, and cultural reality (Williams 1994; Paige 1997). Despite this history, however, it became increasingly attractive to smallholders beginning in the 1970s, because coffee is easy to store and

FIGURE 1.1. *Washing and depulping freshly picked coffee cherries in the cooperative's wet mill.*

handle, its value has historically surpassed that of comparable agricultural products, it can be grown on steep slopes, and can be fairly easily rejuvenated even if neglected for a time (Sick 1999). People in San Juan called

FIGURE 1.2. *Bagging dried coffee for storage.*

the introduction of coffee "the bomb" that exploded in the community, bringing income that enabled families to end their seasonal migration to lowland plantations, build cement-block houses, and educate their children. This trend toward small-scale coffee production was replicated around the world during the twentieth century as it became clear that the idea of "bigger is better" was an illusion in coffee cultivation. Access to land was not a key ingredient for coffee production. Instead, capital and labor were the scarce factors of production: small producers could rely on self-provisioning and family labor, and compared with large landowners, smallholders usually returned higher yields per hectare, per unit of capital, and per laborer, all other things being equal (Topik and Clarence-Smith 2003a:389).

Within San Juan and across Guatemala, rural communities of smallholders struggle to diversify their economic livelihoods as it becomes increasingly difficult to sustain a family solely through agriculture. Juaneros strive to educate their children to save them the backbreaking labor and daily toil that they say characterize their own lives as *campesinos* (small-scale farmers). For example, since I first visited San Juan in 2000, community members have invested heavily in tourism and other small businesses. San Juan sits on the shores of one of the most beautiful lakes in the world, and although Juaneros have been slow to capitalize on the flows of foreigners that visit this popular destination every year, they are now trying to catch up

FIGURE 1.3. *Weighing dried coffee before shipment to Guatemala City for final processing.*

to their neighbors, such as the residents of San Pedro and Santiago Atitlan, who have long welcomed tourists. Despite this economic diversification, coffee remains central to both Guatemalan and Juanero economic identity, although it is not the financial powerhouse it once was. In the past, coffee farming brought great rewards to Juaneros, and they are reluctant to abandon the crop now even though many years they struggle to earn a decent living. Their options for agricultural diversification are limited by the small size of their landholdings. Furthermore, coffee is a perennial tree crop that requires a significant initial investment. Members of La Voz often referred to their coffee trees as their "children" who they had lovingly tended for decades—children they were understandably reluctant to rip out now.

Guatemala claims seven distinct coffee-producing regions and exported nearly 7 million pounds of fair-trade certified green coffee into the United States in 2008 (TransFair 2009), making it the seventh-largest supplier to the market. Approximately 31 percent, or 700,000, of Guatemala's rural laborers are employed in the coffee industry (Varangis 2003:8; Lewin, Giovannucci, and Varangis 2004). Forty-five percent of Guatemala's coffee is classified as strictly hard bean (SHB: grown above 1,200 meters) and 19 percent as hard bean (HB: grown between 800 and 1,200 meters), meaning it commands a higher price in the international coffee commodity market. Latin America

in general is the leading source of specialty coffees, and several countries, such as Colombia and Guatemala, have historically focused on coffee quality and the establishment of infrastructure and institutional mechanisms to foster consistency (Lewin, Giovannucci, and Varangis 2004:115).

Today, between 20 and 25 million small farmers produce coffee in more than fifty countries around the world, most being very small-scale family farmers or those with fewer than five hectares (Nicholls and Opal 2005:81) who are especially vulnerable to market fluctuations. In general, the undifferentiated nature of bulk commodities (such as wheat, soya, coffee, cocoa, and sugar) meant historically that it was easier for small-scale farms to participate. However, bulk commodity markets are characterized by instabil-

FIGURE 1.4. *The view of Lake Atitlan and surrounding volcanoes from San Juan.*

ity, structural oversupply, stiff global competition, historic downward price trends, and declining terms of trade for producing countries and regions (Fox and Vorley 2006:164). The volatility of the international coffee market has increased since 1989, when the International Coffee Agreement (ICA), which set quotas and helped stabilize prices, was not renewed. During the years when I conducted the bulk of my research (2001–2003), international coffee prices established on the New York Coffee, Sugar and Cocoa Exchange and the London International Futures Exchange declined to a hundred-year low when adjusted for inflation (Lewin, Giovannucci, and Varangis 2004). The unprecedented low that the international price for green coffee reached in 2001 was primarily the result of two transformations in addition to the demise of the ICA in 1989. First, roasters and international traders consolidated their market shares, contributing to oligopolistic market conditions. Second, producing countries lost their ability to control export flows and stocks as a result of market liberalization (Daviron and Ponte 2005:113, 121). Additionally, the percentage of coffee's value returned to the producer has declined significantly over the past decades. Today the International Coffee Organization estimates that 12 percent of the average supermarket price and less than 3 percent of the price of brewed coffee purchased out of home is paid to the grower (Giovannucci and Koekoek 2003:32).

Many people publicly blamed the rapid growth of Vietnam's coffee production in recent years for the coffee crisis. Between 1990 and 2000, Vietnam boasted a 1,400 percent increase in coffee production, and by 2000–2001 it was the second-largest producer in the world with an annual production of 14.7 million bags (Giovannucci 2002; Talbot 2004). Although Vietnam may have been the most visible contributor to overproduction, it was not the only one. For example, Brazil produced a bumper crop in 1998–1999 of 38 million bags from 3.4 billion trees. According to Giovannucci (2002), estimates suggest that during the coffee crisis there were 4.4 billion Brazilian coffee trees in production with another 1.5 billion developing. Similarly, during the 1990s, production increased in India and Uganda by more than 30 percent, in Guatemala by 20 percent, and in Ethiopia by 25 percent (Talbot 2004:128). The Vietnamese coffee expansion began before 1994, when the World Bank resumed lending there. Giovannucci (2002) contends that the credit extended to small farmers through the 1996 Rural Finance Project financed less than 5 percent of Vietnam's coffee expansion. Nonetheless, Don Mitchell, a World Bank economist, stated that "Vietnam has become a successful producer . . . In general, we consider it to be a huge success" (quoted in Collier 2001). At the 2002 Anacafé conference, Panos Varangis of the World Bank gave a presentation titled "Perspectivas del café a Nivel Mundial." Even though Varangis argued that Guatemalan producers must continue to increase their coffee quality, the audience became clearly unsettled. One Guatemalan attendee interrupted him by standing up and saying,

> It seems illogical to me that we, who produce quality coffee, have to be socially and environmentally responsible and Brazil and Vietnam don't. It's hypocritical. Migration to the United States grows every year and our governments are losing a source of revenue that could be used to pay off the loans we have with institutions such as this one. Why does the World Bank continue to give money to these producers and doesn't help the producers of truly quality coffee, our countries depend on the taxes of coffee to pay our loans with you!

Varangis answered, "We don't support certain crops, only rural development in general." Even though Varangis was not technically booed off the stage, there was little point in him continuing his presentation after this interchange, and Anacafé officials stepped in and presented him with his celebratory book, promptly ending the session.

The coffee crisis had a significant impact on Guatemala's economy. During the 1999–2000 harvest, coffee represented 21 percent, or $600 million, of Guatemala's total exports. However, by 2001 this fell to 12 percent ($320 million) (Varangis 2003; Lewin, Giovannucci, and Varangis 2004) and rural unemployment soared to an estimated 40 percent (Collier 2001). Eduardo Weymann, finance minister at the time, reportedly warned that "the government will be paralyzed" if new revenues are not found (Collier 2001). In response to the coffee crisis, the Guatemalan congress authorized a trust fund to finance agricultural diversification, agro-processing, marketing, and debt-restructuring programs for producers. The fund was authorized to raise $100 million through bonds offered in the domestic market at an interest rate of 8.5 percent and administered by the Bank of Rural Development, or BANRURAL. Forty million dollars was earmarked for small producers and 60 million for medium and large coffee producers (Varangis 2003:18). Although coffee prices have since rebounded, it is logical to expect that there will be another devastating coffee crisis in the near future because market conditions have not fundamentally changed in recent years.

The most obvious solutions to the coffee market's instability and periodic crises are to reduce drastically the current levels of coffee production and to diversify agricultural production. However, coffee is a tree crop that does not produce until at least three years after planting, so supply responds slowly to price, which tends to produce recurring tree-crop price cycles, triggering the Polanyian double movement, or inevitable movement for social protection resulting from the extension of the self-regulating market (Talbot 2004:36). The market volatility is particularly threatening to the millions of small-scale coffee producers around the world who often lack sufficient capital to weather market downturns, such as the members of La Voz. Small-scale coffee producers are especially vulnerable to market fluctuations as they often do not have formal lending institutions or alternative livelihood options, and the long-term investment required for coffee production makes them reluctant to plant other crops (Sick 1997).

Coffee certification systems, such as fair trade, may help sustain the livelihoods of a portion of small-scale producers. Certification is particularly useful for smallholders because it allows for consistency of characteristics, improves market transparency, provides marketplace credibility, and captures the demand and price incentives of niche markets (Lewin, Giovannucci, and Varangis 2004:109). According to some estimates, up to 30 percent of the world's small-scale coffee producers are now linked to fair-trade networks (Conroy 2001:20, in Murray, Raynolds, and Taylor 2006:182) and a high percentage of those also produce organic-certified coffee. However, the market for fair-trade coffee, currently the largest among certified commodities, remains insufficient: the Fairtrade Labelling Organization International (FLO) estimates that the capacity of producers worldwide who could meet certification standards is roughly seven times the current volume exported via fair-trade channels (Murray, Raynolds, and Taylor 2006). This raises the obvious question of whether fair-trade certification and other similar models will provide sufficient protection to small-scale coffee producers when they inevitably face the next devastating price crisis.

FAIR-TRADE COFFEE

Fair trade's roots reach back more than half a century into U.S. and European history. In 1942, a group of British Quakers founded Oxfam with the intention of raising funds for wartime relief. Similarly, the Mennonite and Brethren in Christ churches in North America founded the fair-trade handicraft retail outlet Ten Thousand Villages in 1946. Beginning in the 1950s, secular alternative trade organizations emerged in European nations, such as Twin Trading in Britain, Fair Trade Organisatie in The Netherlands, and SOS Wereldhandel in West Germany. The growing number of organizations first imported handicrafts and later agricultural products, such as honey, coffee, and tea, from marginalized, less-developed countries. In turn, they sold the products through social groups, in churches, and in World Shops, which now number nearly 2,700 (Giovannucci and Koekoek 2003:39). Although they did not handle large volumes, these organizations did accumulate marketing experience and fostered educational consciousness-raising (Vander Hoff Boersma 2002). In Guatemala the fair-trade movement began in the mid-1970s when SOS Holland began commercializing Guatemalan coffee internationally via Federation of Agricultural Coffee Producing Cooperatives of Guatemala (FEDECOCAGUA) under the trademark Indio Kaffee (Johnson 2006:58, cited in Arce 2009). In 1988, The Netherlands became the first country to launch a fair-trade consumer label, Max Havelaar. With the help of the Dutch priest Franz Vander Hoff, the label was created through a partnership between the Mexican coffee cooperative Union of the Indigenous Communities of the Isthmus Region (UCIRI) and the Dutch development organization Solidaridad. The Max Havelaar label marked a distinct departure from the 100 percent fair-trade emphasis of previously existing alternative trade organizations because it enabled mainstream coffee roasters to trade a fraction of their total coffee volume on fair-trade terms. It also enabled mainstream retail outlets, such as large supermarkets, to place one or two niche-market fair-trade products on their shelves. The Max Havelaar label was copied in other countries, such as Belgium (1991), Switzerland (1992), Germany (1993), France (1993), and the United Kingdom and Australia (1994) (Giovannucci and Koekoek 2003:39). In 1989, an international group of alternative trade organizations formed the International Fair Trade Association (IFAT). Similarly, in 1989, handicraft-oriented organizations in the United States formed the Fair Trade Federation (FTF). In 1997, Fairtrade Labelling Organization International (FLO) formed to systematize fair-trade national labeling and certification standards. The organization currently monitors labels in seventeen member countries, including the United States, through TransFair USA, which was founded in 1998.

There are three contemporary components of fair trade. First, there are alternative trading organizations that operate independent trading circuits and assume the character of social networks; in this way they can underwrite fair-trade claims without formal guarantees, such as FLO certification. Second, there is the social movement–based promotion of fair trade ranging from specific initiatives for the adoption of fair trade to political campaigns to change the rules of conventional trade (Wilkinson 2006:4). Third, there is the FLO-registered formal certification system. Coffee, the first and most developed fair-trade commodity, represents the backbone of the formal certification system, and it is this third component that this book is focused on. Fair trade is one of many certification systems and voluntary corporate codes of conduct that emerged in the 1990s as a result of the convergence of several factors, including the accelerated globalization of economic activity; the retreat of the state, especially from its role in regulating business behavior; the increased significance of brands and corporate reputation, which made companies vulnerable to bad publicity; the growth of international communications, which facilitated the dissemination of information about working conditions and environmental concerns; and the growth of nongovernmental organizations (NGOs) campaigning around issues of human and labor rights (Jenkins 2002:27).

The increasing popularity of fair trade and the expansion of certified products and producer groups necessitated FLO International's internal split in 2003 into two legal entities: FLO Certification Ltd. is responsible for certification, inspection, and trade auditing (following ISO 65 Standards for Certification Bodies) and the charitable side of FLO regulates all other activities. FLO-Certification Ltd. is one of the largest international social-economic certification bodies, inspecting organizations in the fifty-eight countries currently covered by FLO certification (FLO 2007a). Initially, FLO did not charge coffee-producer organizations a certification fee because the organization's operational and marketing expenses were covered by the five-cents-per-pound licensing fee paid by roasters. However, in 2003 the board of directors introduced an initial certification fee (for cooperatives with fewer than 500 members, such as La Voz, the fee is US$2,500) and an annual renewal fee (US$637 base) to help the organization "provide high quality certification and trade auditing services" (FLO 2007a).

There are five widely cited criteria for fair-trade certification:

1. Small farmers must be organized into democratically run cooperatives.
2. Buyers must guarantee a floor price (currently US$1.35 + $0.20 organic differential).
3. Buyers must offer farmers credit to help cover harvest costs, up to 60 percent of contracted value.
4. Importers and farmer cooperatives must develop long-term trading relationships.
5. Farmers must pursue ecological goals.

As defined by FLO, small-scale farmers cultivate fewer than three hectares of coffee, harvest between 1,000 and 3,000 pounds of green coffee a year, are not dependent on hired labor, and manage their farms with their own and their families' labor. Despite the decided emphasis on family farms, FLO prohibits both the employment of children under the age of fifteen and work conditions that may "jeopardize schooling or the social, moral or physical development of the young person" (FLO 2007a). During the research period (2001–2006), the coffee cooperative earned $1.41 per pound for its fair-trade and organic-certified coffee ($1.21 fair-trade minimum + $0.05 social premium + $0.15 organic differential). Despite the fact that producers have widely disparate production and living costs and that many nations' economies have been ravaged by inflation, from 1988 to 2007 this price was raised only once (by $0.06 per pound) (Rice and McLean 1999:57). In 2007, the FLO board voted to increase the base price, social premium, and organic differential with the result that today La Voz is paid $1.55 per pound ($1.25 fair-trade minimum + $0.10 social premium + $0.20 organic differential) for their washed Arabica coffee (FLO 2009). Although fair trade offers small-scale coffee producers a significant buffer from sharp market downturns, the terms of exchange for fair-trade certified coffee have deteriorated over the past decade. The recent increase in the base price represents only a 3 percent increase over twenty years. Simply to maintain its value in constant dollars, the price paid to producers for a pound of green coffee should now be more than two dollars a pound. And as is explained in subsequent chapters, although the fair-trade price paid to producers has stagnated, the demands of the fair-trade market have grown more challenging for producers to meet.

Recent years have witnessed a move toward market-friendly approaches to international development, such as fair trade, as poverty is increasingly viewed as the simple result of a lack of effective integration into the market economy. By the end of the 1990s calls for market-friendly, poverty-reducing growth were the mantra of the donor community, with a wave of policies and programs developed to harness the forces of globalization to benefit the poor (Dolan 2005a:414). This growing focus on market-based poverty reduction has led some aid organizations to direct their efforts toward more functionally oriented peasant groups, such as commodity-specific producer associations like La Voz. Fair trade shares similar attributes with a variety of certification schemes emerging in response to the failure of nation-states to meet the demands made of them in a globalizing economy, including organic, sweat-free, and forest-stewardship labels. Such initiatives date to the mid-1970s, when international organizations like the Organization for Economic Cooperation and Development (OECD) and the International Labor Organization (ILO) developed codes of conduct for multinational corporations, partly in response to corporate involvement in political upheavals in Latin America. The early to mid-1980s witnessed a wave of code activity in response to several major scandals and catastrophes, including Nestle's marketing of breast-milk substitutes in Latin America (Bartley 2005:220).

By facilitating the incorporation of "marginal" populations into market economies, the shifting development focus, of which fair trade is a key component, may indirectly serve neoliberal state goals. For example, fair trade has experienced a high degree of success recently, in the form of rapid sales expansion and its adoption by institutions like the World Bank and conventional corporations, because of its neoliberal conception of the market that emphasizes exchange relations over social relations (Fridell 2007). Similarly, national governments and international development agencies have directly and indirectly contributed to the rise of fair trade mostly through financing services. However, the goals of these support efforts have not been entirely consistent with those of fair trade as they are often focused on generating short-term development (frequently tied to longer-term debt, as in the case of La Voz) and less on a vision of social justice (Murray, Raynolds, and Taylor 2006). The market-based poverty solutions increasingly pursued by development agencies and NGOs have been criticized for subtly disempowering those they seek to aid.[1] Although they are presented as alternatives to development, certification initiatives such as fair trade reflect the larger trend toward market-based solutions for poverty reduction. However, this points to one of today's most pressing political issues: if trade is the route for growth and poverty reduction, what rules should govern international trading practices and the formation of international trade agreements and organizations? Many argue that in recent years the international fair-trade movement has shied away from this critical issue, instead focusing on growing markets and working within the capitalist system.

LINKING PRODUCERS AND CONSUMERS

Anthropologist William Roseberry (1996) named coffee the beverage of postmodernism, not to suggest that coffee exists in a unique relationship with capitalism but that it provides a window through which we can view a range of relationships and social transformations. This includes the critical links between the consumption habits of northern consumers and the promotion of economic and social justice in countries that consistently threaten individual freedoms, such as Guatemala. The cooperative's name, translated as "A Voice Crying Out in the Wilderness," honors Saint John the Baptist, the village's patron saint, who is said to have preached in the desert, baptizing converts in the river Jordan. Agricultural cooperatives were specifically targeted for violent reprisals by the Guatemalan military throughout the civil war, and more than three decades after its founding, the cooperative's name evokes the resiliency of this group and the strength of its communal practices in the face of persecution. Although these internal characteristics set the stage for the group's long-term success, without the secure export market the cooperative has maintained since first shipping its certified organic and fair-trade coffee to northern consumers in 1991, it is doubtful whether it would continue to enjoy the member loyalty that it does today.

Despite the benefits that fair trade brings to the members of La Voz, a critical evaluation of the fair-trade coffee network reveals that it does not in fact fundamentally challenge the contemporary neoliberal organization of the international market. Instead, in its current guise fair trade provides small farmers a "shaped advantage" by assisting their participation in the global economy (Fridell 2007). However, fair trade's contradictory emphasis on the transformation of conventional markets from within differentiates it from development programs that are not rooted in explicit social and economic justice goals. Analyses of commodities, such as fair-trade coffee, and the circuits they travel are powerful tools for reconnecting producers and consumers with the goal of reducing structural inequities in a globalizing world. Analytically linking the members of La Voz to the consumers of fair-trade coffee in the North illustrates the ways in which fair trade can potentially challenge the logic of the expanding free market by promoting a critical consumer culture that challenges the individualizing culture of capitalism. A renewed emphasis on cooperation and solidarity, through attempts to build collaborative networks across national, economic, and cultural borders by nurturing relationships between southern producers and northern consumers, can help reorient the focus of fair trade away from a myopic focus on market expansion and selective advantage toward broad calls for new forms of international market regulation and truly just trade policies.

Despite fair trade's emphasis on transnational relationships, the construction of local places is an absolutely critical component of the contemporary certified coffee market as regional variations and place-based appellation systems are employed as marketing tools in an increasingly differentiated market landscape. In fact, this is so commonplace that it is difficult to imagine how a roaster might advertise La Voz's coffee without referencing the rich volcanic soils and highland climate of the Atitlan region. Furthermore, the growing importance of both the particularity of place and certification within the market means that gradually the characteristics of the producers themselves, such as their indigeneity, are used to distinguish coffees and subtly capitalize on consumers' romantic images of hardworking small-scale farmers dedicated to producing high-quality products. When cooperative members discuss what it means to be Juanero today, they routinely reference their ties to the land, their common language (and colloquiums that are distinct from their nearby neighbors), and a collective history. Even when they leave in search of work, they remain tied to their natal community through their ongoing relationships with their family members who regularly draw them back for Holy Week and patron-saint festivities.

The case of La Voz dramatizes the continued salience of community-based identities and it also reveals the power relations shaping collaboration and solidarity within the cooperative and transnational fair-trade networks in which it participates. For example, the daily process of cooperation itself is fraught with tension as members and management continuously negotiate complex decisions, such as whether to sell the land of a cooperative member who refuses to pay his loans or to fire an employee who "borrowed" funds without permission. Similarly, the relations between the cooperative members and outside certifiers, roasters, and agencies, such as Anacafé and United States Agency for International Development (USAID), demonstrate both the promises and perils of fair trade's attempts to forge meaningful connections across space and sharp class divisions. Their very connections with these outside forces are reshaping their own locality as they relinquish some of the control over production practices they have long enjoyed as self-employed small producers to meet the high quality demands of competitive international markets.

My goal is not to follow the coffee as it circulates through the network but instead to examine how this product is embedded in diverse economic and social strategies across space. This exploration of the connectivity fostered by fair-trade networks challenges popular understandings of the global experience, which uncritically celebrate mobility and flows. A more accurate understanding of globalization for most people, including coffee consumers like ourselves and producers such as the members of La Voz, is that of staying in one place but experiencing the ruptures and dislocations, both positive and negative, that globalization brings to us. The connectivity engendered through fair-trade networks does not shorten the distance between these shaded coffee plots in rural Guatemala and the urban coffee shops we hurriedly rush through in search of a quick pick-me-up. Although the physical distance remains, we, meaning both the coffee consumers and the members of La Voz, experience the distance in different ways. When we purchase Green Mountain Coffee Roasters coffee at our supermarket, those distant coffee fields become more accessible to us through the representative stories decorating the promotional materials and the company's website. Similarly, when members of La Voz debate just how much U.S. consumers pay for their coffee and question why they receive so little money in exchange, they demonstrate that those distant worlds are becoming more fathomable to them. This leads them to challenge their own lack of power in this global market by, for example, publicly calling on USAID to lower the interest rates on their loans or applying for their own export license, actions that would have been unthinkable only a few years earlier.

Following a commodity such as coffee along its transnational pathways helps us to reveal the social relationships that are obscured in an international marketplace marked by a firm separation of production and consumption. This creates a sharp lens through which we can better understand, and make sense of, the integration of local contexts, such as the offices of Seattle coffee roasters and the small plots of coffee tended by Maya producers, into the world system. In short, although the lives of small-scale actors, such as the members of La Voz, may be shaped by transnational economic processes and export commodity production, they are not necessarily determined by these external forces, and these actors themselves help shape global flows and Guatemala's participation in the world economy.

For this reason, even though I conducted research in Seattle, Vermont, and Guatemala among the many participants in the fair-trade coffee network, the stories in this book are primarily told from the point of view of the members of La Voz. While I conducted my research, I quickly realized that following the certified coffee as it moved through the many nodes of the commodity network would lead me away from the unique perspective on power and collaboration that an exploration of the "wake of things" (Walsh 2004:226) provides. As an economic anthropologist who takes for granted that exchange is vested in social relations and inequities, I found that I was most interested in how power is exercised within the emerging relationships constituting fair-trade networks; I wanted to examine who was gaining and who was losing and question who has a voice. These are not new questions; they are simply older dilemmas of social justice returning to us in new forms (Collins 2003). These questions were best answered by rooting the analysis among the most vulnerable participants in the certified coffee market, the producers. However, the producers' story cannot be adequately told without fully analyzing the convergence of their daily practices with the motivating forces and dreams of certified coffee advocates in the North, such as the members of Seattle Audubon, who spoke of their passion for shade-grown coffee. Furthermore, it is impossible to truly reveal the power relations structuring certified coffee markets without fully understanding the complex ways in which the economic goals of coffee roasters and importers are embedded in their own social relations and cultural identities.

ORGANIZATION OF THE BOOK

Chapter 2, "The Historical Convergence of Local Livelihoods, the Global Economy, and International Politics," uses the voices of community elders and historical research to demonstrate that San Juan has a long-term and dynamic history of involvement in regional, national, and transnational economic and political processes. Resistance to colonialism and world market forces as well as integration within these systems of power form an underlying tension throughout Guatemalan history. This chapter sets the stage for a more dialectical understanding of the interaction among global and local forces, material conditions, and ideology, especially in relation to the international coffee economy.

Chapter 3, "'Trade Not Aid': Assessing Fair Trade's Economic Impact on Cooperative Members and Their Families," critically evaluates one of fair trade's hallmark slogans, "Trade Not Aid," by exploring two commonly cited economic benefits of fair trade, higher prices and access to credit. It demonstrates that cooperative members do benefit from both; however, the advantages may be less significant than northern consumers believe. The chapter also highlights the conflict that emerged within the cooperative over the increasing numbers of insolvent members, ultimately arguing that the conversations sparked by the disagreement strengthened the group's long-term prospects.

Chapter 4, "Obligatory Burdens: Collaboration and Discord within the Cooperative," analyzes both the meaning and practice of cooperation within the group and assesses the organizational capacity of the cooperative. It begins with an examination of a particularly contentious cooperative meeting in which a member emphatically reminded his companions that "We are cooperative members or we are nothing!" The chapter closely examines internal relations, the flow of information, and the sharing of decision-making power among the management, the board, and the general assembly to question the extent to which cooperation, and by extension fair trade, promotes democracy and transparency within local spheres. The chapter closely examines the emerging tensions between the membership and the increasingly powerful cooperative management and the ways in which cooperative members actively work to check administrative power through often repeated rumors of managerial corruption. It argues that cooperation is an ongoing process of negotiation and conflict resolution rather than an intrinsic and static value of indigenous communities. In addition, the chapter foregrounds the story of Juana, a cooperative founder, to shed light on the failure of fair-trade coffee networks to adequately protect and promote gender equity within producer groups.

Chapter 5, "The Political Economy of Organic and Shade-Grown Coffee Certification, Local Livelihoods, and Identities," tracks between the motivations and dreams of the Seattle birders who are shade-grown, organic coffee advocates and the reality of certification and production practices in the members' fields. It explores three key contradictions within the shade-grown, organic-certified coffee markets. First, there is a tension between a regional history of organic production as liberatory practice and the contemporary reality of organic certification, which contributes to the transformation of organic agriculture into a form of eco-colonialism rooted in global class differentiations. Second, there is a tension between the pride generated by the cooperative members' perceptions of quality and the strict quality standards required for participation in the specialty-coffee market. The imposition of externally derived certification requirements necessitates internal surveillance mechanisms that reshape social relations and practices among members. Third, there is a conflict with northern conceptions of the producer "other" as these are expressed in certification standards imposed in the name of tropical conservation on the one hand and in the ways that people's understandings of their landscape, place, and community are shaped by their livelihoods on the other. Essentially, this chapter asks the same question posed by the cooperative member questioning certification standards: What good will two more shade trees do?

Chapter 6, "Managing the Maya: Power in the Fair-Trade Market," demonstrates that although in theory fair-trade coffee networks are marked by mutual dependence, cooperation, and trust, in practice the members of La Voz are subjected to a high level of governance and external surveillance as a result of their hierarchical relationships with northern buyers and certifying agencies. The power inequities are most evident within two realms: first, in the fair-trade certification process, which is marked by a low degree of producer understanding and low levels of producer participation in the collective establishment of standards and movement goals; and second, in the processes of quality control, which entail surveillance of production and processing. The analysis reveals that fair-trade coffee networks fail to nurture truly equitable relationships among participants, begging the question of why cooperative members willingly submit to the external governance. The chapter demonstrates that the benefits, such as market information, product improvement, and economic security in the face of market uncertainties, gleaned through fair-trade market participation outweigh the costs.

Chapter 7, "Marketing the Maya: Fair Trade's Producer/Consumer Relationships," explores fair-trade coffee marketing materials to demonstrate that the producer/consumer relationship in fair-trade coffee networks is heavily mediated by advertising and the intermediaries who celebrate symbolic quality attributes and shape consumer preferences. Existing scholarly attempts to understand fair-trade producer/consumer relationships fail to fully capture the complexity of producers' relationships with northern consumers. They cannot explain what it means to be Maya in the world market (versus in the cooperative and the community). Nor do they explore how fair-trade market relationships are informed by the reinforcement of differences and northern impressions of "community," small-scale farmer poverty, and in some cases indigeneity. This chapter delves into these complex questions to demonstrate that producers and consumers are united in an imaginary community sustained through advertising, media, and roaster/retailer intermediaries rather than embedded economic relationships.