

“WE ARE IN THE DARKNESS”: THE IMPACT OF FAIR TRADE FROM THE PERSPECTIVE OF COFFEE GROWERS IN THE KILIMANJARO REGION

ALFRED BABO

PH.D., ASSOCIATE PROFESSOR, INTERNATIONAL STUDIES /SOCIOLOGY & ANTHROPOLOGY

DEPARTMENT, COLLEGE OF ARTS AND SCIENCES, FAIRFIELD UNIVERSITY

ABABO@FAIRFIELDEDU



Abstract

Studying the impacts of Fairtrade on rural communities requires examining how Western ethical businesses and eco-friendly social movements affect farmers' livelihoods. This research took place in coffee-growing communities in Tanzania and aimed to understand local farmers' prospects for their collaboration with Fairtrade. Although the Fairtrade initiative aims to strengthen cultivation skills to increase the quality and price of coffee production, farmers and leaders of the rural cooperatives critically assessed the mitigated impacts of the ethical trade on the development of their lives and communities. The article, based on ethnographic research in the Moshi District, argues that beyond changes induced by the ethical business organization, farmers are trapped in “darkness” due to having insufficient information on their trading partner and limited ability to empower and transform their cooperatives.

Keywords

fair trade, coffee, impacts, community development, Tanzania

Received: April 2022 | 1st Revision: September 2022 | Accepted: October 2022

Babo, Alfred (2022). “We Are in the Darkness”: The Impact of Fair Trade from the Perspective of Coffee Growers in the Kilimanjaro Region. *Hungarian Journal of African Studies* [Afrika Tanulmányok], 16(1), 71-87.

Introduction

The World Fair Trade Organization (WFTO, 2009) presents fair trade¹ as a trading partnership based on dialogue, transparency, and respect that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions and securing the rights of marginalized producers and workers, especially in the Global South. Even though scholarly research discusses the paradox of seeking social justice through markets, especially in this era of economic liberalism (Lyon and Moberg, 2010), many researchers have emphasized fair trade's social impacts on local communities (Brown & Lyon, 2017; Cole & Brown, 2014; Lyon, 2008, 2010; Raynolds & Greenfield, 2015). With its mission to reduce poverty, fair trade – as both a social movement and an ethical business – links farmers' incomes to economic and social development by improving their day-to-day lives and community living conditions (Dragusanu & Nunn, 2014; Haight, 2011; Morrison, 2012; Raynolds & Murray, 2007; Solomon, 2011;). Other skeptical studies question the accomplishment of such a goal of enabling meaningful and positive changes in producer livelihoods and community development (Ballet & Pouchain, 2015; Sylla, 2014; Wydjick, 2014). If scholarly debates have questioned the effectiveness of this ethical economy, they have not critically discussed its community development dimension. For Nelson and Martin (2015, p. 509), "There are questions arising from a development perspective." These authors find that despite some benefits in Africa, Fairtrade's record of reducing social inequalities and lifting people out of poverty is mixed and even modest. Moreover, scholarly research has often not considered the method of community development evaluation centered on farmers' points of view.

I use the Old Moshi Cooperative and the Kimoshi Cooperative of coffee in Northeastern Tanzania to discuss Fairtrade's social impacts on producers from the perspective of community development. To what extent do the Tanzanian coffee growers make connections between the social and economic changes that occurred in their communities to their engagement with Fairtrade? In this paper, changes induced by Fairtrade are interpreted and analyzed within a qualitative approach that relies on farmers' perceptions and assessments. I argue that the study of social impact is not a mere measurement of positive versus negative changes within communities. Instead, the present study shows a need to embrace a more critical stance to shed light on farmers' understanding of the long-lasting changes at stake for the well-being of the community. Fairtrade's mission has not always met farmers' expectations but instead operated without a focus on sustainability. For coffee growers, the central question is not what they have gained but rather whether the improvements are sustainable for their communities. Farmers align their assessment of the sustainability of Fairtrade impacts with their insufficient knowledge of the coffee market and the trading mechanisms of Fairtrade. Overall, Fairtrade is associated with enhancing agricultural practices and offering higher prices to producers. However, when it comes to using the community development perspective, a holistic approach that includes the farmers' capacity to strategize and build durable changes is needed to analyze the influence of the fair trade movement.

Literature Review

From its inception, debates have arisen about the ethical goals and effectiveness of fair trade, especially within the global economy. According to Reynolds and Bennett (2015), the fair trade model started as an informal economic system in the 1940s with volunteers in the United States and Europe selling handicrafts in car trunks and reasonably priced coffee in church basements. The professionalization over the years of the trade through the development of organizations – especially Max Havelaar, TransFair USA, Fair Trade USA, and Fair Trade International – alongside norms, standards, and certification processes and practices, resulted in the current fair trade movement. The principal goal of the initiative is to alleviate poverty by increasing poor farmers' production and, therefore, their revenue (WFTO, 2013). It relies upon the dream of creating a world of justice and sustainable development by building a social contract between buyers (including final consumers) and producers.

The fair trade business grew dramatically at the beginning of the 21st century as an alternative moral economy and social movement for the rights of marginalized producers and workers in the Global South. The movement's growth led to an increase in the sales of Fairtrade certified agro-food products in the Global North (Reynolds & Greenfield, 2015). However, it also resulted in clashes among fair trade organizations about principles of fairness (Suranovic, 2015). In the United States, certification procedures, labeling, and the size of entities to certify generated friction. Organizations such as the Domestic Fair Trade Association (DFTA) advocated for only labeling small-scale farms and framing their mission in opposition to industrialization and corporatization of fair trade certification systems (Brown and Getz, 2015; Sligh & Christman, 2007). Other organizations such as the Equitable Food Initiative (EFI) campaigned for big corporate farms to benefit from the Fairtrade label (Brown & Getz, 2015). Thus, big corporations embrace corporate social responsibility (CSR) or environmental, social, and governance (ESG) reporting. Both aim to contribute to societal goals by supporting ethical practices and paying attention to global issues such as climate change, corruption, and community development.

Although these approaches claim arrangements with farmers to ensure fair prices that benefit poor farmers and their cooperatives, communities, and countries, critical scholars tend to underestimate the transformative effect of the fair trade movement, albeit pushing for social justice. An extensive body of literature indicates that Fairtrade agriculture is one of the least effective means of reducing poverty in developing countries (Dragusanu & Nunn, 2014; Solomon, 2011). Furthermore, critical perspectives in this field challenge the high certification fees (Haight, 2011; Reynolds & Murray, 2007) as well as the insufficiency of prices paid to the farmers (Ballet & Pouchain, 2015; Wydjack, 2014). Eventually, according to Sylla (2014), only 50% of the premiums Western consumers pay for Fairtrade commodities support social projects in production communities. Many problems that include the predicament of small farmers and workers and the capitalist profit-driven philosophy are still associated with fair trade. At the same time, their studies acknowledge that not only does Fairtrade significantly contribute to addressing the roots of poverty for

individuals and communities, but farmers are satisfied with their arrangements with the ethical organization. According to Brown and Lyon (2017), the limits noted in the literature do not expunge the changes induced by Fairtrade actions, which link farmers' incomes to economic and social progress.

Perhaps a more comprehensive approach to the benefits that farmers could gain from ethical agriculture should be explored. Within this framework, one may argue that Fairtrade cannot by itself induce revolutionary and long-lasting changes in poor rural communities. In this sense, Brown and Lyon (2017) find that some criticisms are overstated because it is unrealistic to believe that one can save the world by buying a coffee cup. In their work, Lyon (2008/2010) and Cole and Brown (2014) acknowledge that the fair trade business is not perfect. Beyond the debate, Nelson and Martin (2015) draw on a more holistic approach that sheds light on both economic and social implications, especially the improvement of gender equality, access to school for children, elimination of child labor, and enhancement of sanitation and hygiene conditions in the production communities.

This debate warrants further exploration of the morality-based social impacts of the fair trade business on the development of small producers' organizations and their communities. The contribution of this work in the literature is not only to question the way fair trade initiatives are assessed but also to depict an anthropological evaluation that firmly rests on more dynamic views of the people who are primarily affected (Dare et al., 2014; Imperiale & Vanclay, 2016; Jijelava & Vanclay, 2014). These authors argue that acknowledging how social issues are perceived, experienced, and interpreted by local communities is crucial to ensure that development interventions become more effective in achieving positive and socially sustainable outcomes. Thus, the paper puts Tanzanian farmers' views at the center of the ethnographic analysis of fair trade's social impacts, not from a static perspective but a dynamic one.

Method and Fieldwork

The core task of this study is to frame the views of the coffee farmers using an anthropological approach to assess an external economic ideology in a local African community. For community-based development initiatives, the success of projects is measured through social impacts and joint responsibilities (Agrawal, 2001; Baland & Platteau, 1996; Ballet et al., 2011). However, while assessing the social impact is crucial, there are two issues associated with this process.

First, when looking at ethical businesses, scholarly work on the social impact of the fair trade movement in Africa is scarce. Out of a series of studies published on the movement's impact, most were commissioned by fair trade organizations or funders (Nelson & Martin, 2015). Moreover, they eventually claimed success. It is essential to note that Fairtrade's self-evaluations emphasize measuring actual impact to ensure accountability towards its funders to implement its marketing strategy. In its 2017 annual report,² the Executive Director stated that "Fairtrade Africa drove forward various streams of work all pegged at the increasing impact on farmers

and workers” (FTA, 2017, p. 5). For example, building partnerships with the International Trade Centre (ITC) and cocoa-growing communities in Ghana integrates the strategy to make the social impact of Fairtrade on small producers more visible.³

Second, there has frequently been contention between quantitative analysis and qualitative rationale in social impact assessment (SIA). However, SIA has been highly regarded for its ability to quantify and reduce complex social issues and life experiences into measurable and managerial indicators (de Rijke, 2013; Roscoe, 1995).

Nevertheless, the reductionist portrayals of social life to statistical correlations and formulas between variables have been questioned, along with a call to combine quantitative and qualitative data (Russell, 1993). Moreover, the anthropological prospect of SIA strongly recommends the community-based approach that should yield nuanced and comprehensive insights (Chase, 1990; de Souza, 2007; Silverman, 1966; Walker, 2010). As de Rijke (2012) argued, social impact researchers should carefully consider community representations and unfolding relationships within the population. Scholars have laid out SIA principles that rely on participatory processes, deliberative spaces, human agency, and creativity. In their study of SIA, Esteves et al. (2012) argued that there should be a specific focus on improving the lives of the worst-off members of society. As such, this approach is instrumental in analyzing the impact of the fair trade movement on community development.

Based on the above methodological framework, this research is committed to investigating changes in coffee-growing communities in the context of farmers collaborating with Fairtrade. The fieldwork took place in one of the main areas of fair trade coffee production: the Kilimanjaro region in northern Tanzania, where the Kilimanjaro Native Co-operative Union (KNCU) and Kilimanjaro Coffee Cup Company produce fair trade coffee. First, a local research team⁴ conducted the preliminary fieldwork during the summer of 2018. It consisted of a field trip to interview a set of six cooperatives. Only two cooperatives – Kimochi and Oldmoshi – were selected for further investigation beyond the preliminary data. A phase of four months of preparation took place during which the team explained the objectives and methods of the research to the chairs of the cooperatives. This aimed to obtain their informed consent. Thus, the team members performed focus-group interviews with the boards of the two cooperatives and used survey questionnaires to interview twelve farmers in each cooperative. It collected additional data on the history of the cooperative movement in the area, and its relationship with Fairtrade organizations. In the fall of 2018, I resided in the village of Mahoma to conduct additional fieldwork to supplement the preliminary research results by collecting qualitative data on the

Based on the above methodological framework, this research is committed to investigating changes in coffee-growing communities in the context of farmers collaborating with Fairtrade.

community development generated by Fairtrade and their prospects for coffee farming in the community. During the stay, I carried out several interviews with board members, staff, and two dozen individual members of the coffee cooperatives that allowed me to collect the long-standing experiences, aspirations, and creativity of the farmers and their leaders. The sample of informants also included representatives of women who showed me their products while guiding me through their farms and warehouses. The interviews and small group meetings were supplemented with direct observations of the communities' living conditions. I visited farms, social infrastructures, and community projects related to Fairtrade's actions in the villages of Mahoma, Tsuduni, and Lyakombila in the Moshi district.

Background: Coffee in Tanzania and the Area Under Study

The economy of Tanzania is extremely dependent on the agricultural sector. In 2015, Tanzania was the 15th largest coffee-growing country in the world. Coffee in this country is predominantly produced on large estates, with peasant and smallholder farmers comprising the total. According to the Tanzania Coffee Board (TCB), green coffee production reached about 60,000 tons in 2018 and 2019. About two-thirds of coffee produced is mild Arabica, and the rest is hard Robusta. Mild Arabica is wet-processed and Robusta is dry-processed. According to the Tanzania Coffee Board (TCB), in the 2017/2018 season, the expected production was 20,000 tons for Robusta and 30,000 tons for mild Arabica. The sector employs approximately 85 percent of the population and contributes more than 55% of foreign exchange earnings (Nchahaga, 2002). Overall, there are more than 400,000 coffee producers in the country.⁵

Coffee is a primary export product, and its cultivation was imposed by the colonial administration when East Africa came under German rule in the late 19th century (MacDonald, 1966, p. 29). Tanzania coffee grows in the country's northern, western, and southern areas. According to Weiss (2003), beginning in 1911 the colonial administration enforced coffee planting throughout the Bukoba region to compel the Haya tribe to enter the cash economy. Colonizers introduced coffee propagation by seed, which undermined Haya Royal's control over cultivation and ascribed a new, measurable value to coffee trees (Weiss, 2003, p. 71). Outside the Bukoba region, settlers introduced Arabica varieties to the Chagga tribe of the Moshi region on the sides of Mt. Kilimanjaro (Eckert, 2003, p. 287). The Chagga, traditionally breeders and traders of ivory and enslaved people, switched entirely to coffee cultivation upon German cessation of the slave trade. Coffee growing in these two communities developed and was modernized in 1918 under the British administration's land-use reforms that favored the estate production by white settlers and considered coffee the main cash crop. As a result, the overall harvest of coffee increased; this was especially the case for the Chagga, who exported 6,000 tons of coffee by 1925 (MacDonald, 1966, p. 126).

In the northeast, the Moshi region of Kilimanjaro is renowned for growing the best Arabica coffee in Tanzania. It accounts for nearly 75% of the national production, according to the East Africa Fine Coffees Association (EAFCA). In this

region, inhabited by the patriarchal Chagga tribe, smallholders who are primarily men have their *chambas* (farms) behind their huts on the hillsides. The villages Mahoma, Tsuduni, and Lyakumba – located near Mount Kilimanjaro – are located at about 1,100-meters in altitude and 10 kilometers from the town of Moshi. In these communities, at first sight the *chambas* look like plantain farms because this crop dominates and covers the coffee trees. The landscape gives the village the appearance of a banana plantation dotted with potatoes, coffee trees, and houses. In this region, coffee is grown on small surfaces that rarely exceed one hectare, and the yield per family is generally low (MacDonald, 2003). For instance, the annual production of five hundred kilograms in Mahoma is the greatest yield ever. The coffee beans are usually sold to exporters by TCB at coffee auctions in the town of Moshi from July to March. Most prominent exporters are affiliated with multinational companies that sell coffee to roasters in countries like Japan, Italy, the USA, Germany, Belgium, and Finland (Tanzania Coffee Board, 2016).

As a colonial legacy, coffee has been traded for a long time through the cooperative system that involves local markets, private coffee buyers on coffee auctions, and foreign roasters. In 1925, Chagga planters formed the first of several Tanganyikan coffee cooperatives called the Kilimanjaro Native Planters' Association (KNPA). This cooperative enabled the farmers to sell directly to British markets and gain a better price (Eckert, 2003). The economy of coffee continued with the post-independence government, which provided loans to coffee cooperatives intending to double the production by 1970. In the Moshi district, the Old Moshi Cooperative was established in 1933 and encompassed the borough of four villages: Mahoma, Kidia, Tsuduni, and Kikarara. The cooperative movement in the region grew and evolved when ninety-two rural cooperatives of coffee established the Kilimanjaro Native Cooperatives Union (KNCU) in 1984 to trade coffee in the Moshi area. Each *msimu* season, KNCU lends funds to the rural cooperatives to purchase coffee beans from their members and non-members. The production collected is sent to the union, which takes it to the Moshi coffee auction where roasters and buyers speculate on the price based on New York City and London stocks markets. Later, KNCU granted the cooperatives the differential funds to pay the farmers in the event of a price increase. This second and complementary part of their income, called the *final payment* by the farmers, grounded the cooperative system in the coffee sector.

The cooperative movement has established and framed small-scale production, in which farmers take care of all the trees and kilograms harvested. This supervised agriculture meets Fairtrade's practices that promote high-standard coffee. Thus, farmers and cooperatives are committed to complying with strict cultivation and trading protocols. These rules include treating the coffee trees with harmless pesticides, a specific number of days for fermentation, and an accurate temperature to dry on a bed 2.5 feet from the ground in order to obtain optimal quality with clean and dry coffee. Through KNCU, Fairtrade representatives reached rural cooperatives such as Old Moshi and Kimoshi in the early 2000s. With these two cooperatives, Fairtrade promotes its "We transfer wealth back to farmers and workers"⁶ motto and

its principle of supporting farmers and workers as they improve their lives and their communities. At the end of each season in June, Fairtrade pays premiums to the cooperatives to implement a community project that complies with its commitments to children's education, protection of the environment, advancement of democracy, and promotion of gender equity. Assessing the commitments, successes, and levels of sustainability for farmers are an integral part of Fairtrade initiatives in these communities.

Sustainability of the Achievements

Although farmers mentioned the benefits gained from Fairtrade, they also stressed a sustainability issue as their effects faded over time. According to the cooperative leaders, Fairtrade contributed to improving local coffee producers' well-being by increasing financial gain, supporting education, eradicating child labor in the communities, and instilling agricultural knowledge in citizens. The ethical business practices also promoted gender equity and environmental consciousness. For instance, in the village of Lyakumba, Kinyaha H., the Secretary of Kimoshi Cooperative for 19 years, explained that "At the end of the *msimu*, season, 2004 – 2005, Fairtrade granted us 1,020,506.95 TSHS (about 441 USD) as premiums." Our participants remembered these times as glorious moments of prosperity. This was the period when farmers used the income from Fairtrade coffee to build houses and gain access to amenities such as electricity and clean water. Most of them also cultivated food crops such as corn and beans, which they transformed into cash crops to diversify their source of revenue.

Interviewees stated that Fairtrade heavily contributed to enhancing education. The organization strictly emphasizes education for children while dismissing agricultural activities. From 2006 to 2016, Fairtrade premiums collected by both cooperatives served to pay the school fees of students from the most impoverished families. According to Kanza R., chairperson of the Kimoshi Cooperative, the bonuses were used continuously to pay the school fees of dozens of children from the six villages.⁷ For each student selected, total fees of 70,000 TSHS (30 USD) were paid to get books, uniforms, and other school materials. The approach was the same at the Old Moshi Cooperative, but with a different amount. The chairperson of the cooperative stated, "For the ward of our four villages, Fairtrade premiums served to pay half of the school fees of two children a year." From 2010 to 2016, many students and their families were supported by Fairtrade premiums with 35,000 TSHS, i.e., 15 USD per child. For farmers of both cooperatives, Fairtrade contributed significantly to the development of education in their communities.

Another positive impact of Fairtrade viewed by the farmers in the coffee-growing communities of Moshi is the significant promotion of gender equity and democratic governance. In *Chagga* society, firmly held patriarchal and gerontocratic traditions lead to men and the elderly controlling land tenure. A woman can only take over a farm as a widow through inheritance if there are no surviving men in her husband's lineage. However, with the influence of Fairtrade since 2000, not only have some

women become coffee producers, but they are also autonomous members of the cooperatives. For example, Old Moshi Cooperative complies with Fairtrade requirement to separately display women's coffee production next to men's products in the warehouse. Although it was a significant cultural shift, the cooperatives decided to meet this standard to pass Fairtrade's controls and benefit from premiums. Secretary Olutu C. confirmed the following: "Fairtrade's representatives often make unexpected visits. When they arrive, they want to see the production of at least nine women under the tag 'Women'; it is a rule that we follow." In these rural cooperatives, women are not only visible through the exposure of their products in the warehouse, but they progressively ascend the social ladder to be present on the governing and decision-making boards. At Old Moshi Cooperative, Mandara E. joined the cooperative in 2007 and she has been a board member since 2015. At the Kimoshi Cooperative, two women are members of the board, including Kinyaha H., who has been in this top administrative position for more than ten years. Women's participation in decision-making bodies influences their peer farmers positively to adhere to the cooperatives' objectives. Mandara E. affirmed that she "wanted to be an example for the other women; and since I joined the board, I have brought about twenty women into the cooperative." According to the chairpersons of both cooperatives, the presence of women plays a pivotal role in reinforcing the democratic governance required by Fairtrade. Despite these positives, farmers expressed discontent when assessing the overall sustainability of social and economic improvements brought by Fairtrade.

The multi-field application of sustainability makes its use broad and ambiguous. However, sustainability seems to embody the ability to exist continually. It is the process of people maintaining changes in an environment in which the exploitation of resources, the nature of investments, and the achievement of improvements are all in harmony and enhance current and future possibilities to meet people's needs. Further, it could be understood as people's capacity to maintain the positive changes in their lives and their communities for the present and the future. In the case of Tanzanian coffee farmers, sustainability would refer to how improvements have

Although farmers mentioned the benefits gained from Fairtrade, they also stressed a sustainability issue as their effects faded over time. According to the cooperative leaders, Fairtrade contributed to improving local coffee producers' well-being by increasing financial gain, supporting education, eradicating child labor in the communities, and instilling agricultural knowledge in citizens.

been maintained through the insightful management of the production system and the continuous enhancement of individual and collective livelihoods. It would also involve establishing and continuously improving the administration and financial management of the cooperatives in order to thrive in the present and future.

However, Fairtrade's mission has not always met farmers' expectations but instead operated without a focus on sustainability. At Old Moshi and Kimoshi, criticisms arose when farmers assessed the long-term effects of Fairtrade's actions in everyday community life. The current challenges faced by producers outweigh past achievements attributed to Fairtrade's power to eradicate poverty. For most of our interviewees, coffee revenues are not steady and do not reward the hardships of work and the time and energy dedicated to caring for crops. Disappointed by the dramatic predicaments in 2016 and 2017, many farmers either burned their products, threw them away, or cut down their coffee trees. Others left the crops to die without caring for them. One of the participants, Epafra P., explained: "I am resigned to continue to seek improvement of my life with coffee revenues. My farm is full of dried and sick trees. However, I am not planning to buy new plants. I cannot continue to accomplish the hard work of coffee for nothing." Farmers' frustrations pertain to the meticulous work necessary to harvest coffee beans during the heavy raining season and bring them from the high-altitude farms to the warehouse in compliance with Fairtrade standards. For Olutu C., like most farmers, all the hard work deserves a higher price and comfortable annual revenue, which they did not receive in recent years.

Furthermore, the capacities of farmers and their cooperatives were impaired by the Kilimanjaro Native Cooperatives Union (KNCU). The bankruptcy of KNCU, which served as the only lender of funds to the cooperatives functioning, entailed the impoverishment of these rural organizations by depriving them of funds to operate. Starting in 2015, the union failed to distribute the Fairtrade premiums and other subsidies to the cooperatives, leading the Old Moshi and Kimoshi cooperatives into profound financial distress. The crisis entailed a significant drop in the harvest. According to the chairperson of Kimoshi, "The production went down from 1,000 bags of 50 kilograms a year in the 1990s to 200 bags now." One farmer, Lyatuu D., in Old Moshi refused to cut down the few remaining trees saved from drought and diseases. At the peak of the crisis, some farmers left the cooperatives. For example, while the Kimoshi Cooperative lost about 3% of its members in 2018, the Old Moshi Cooperative closed down its warehouse and office from 2016 to 2018. For Mtounga J., a 50-year-old man from Kidia, and Lyatuu D., an 80-year-old man from Mahoma, their interest in growing coffee dropped significantly over the last three years. During these times, the hopeless and weakened farmers had no choice but to sell their products to private buyers of coffee, such as City Coffee and COSARE, which operated in the Moshi rural area at the expense of farmers. These buyers played to pay the lowest prices to hopeless farmers in need of cash for food crops and school fees. Indeed, due to their lack of bargaining power and inability to directly participate in the auction market, not only was the price of coffee lowered to 1,000 TSHS /

kilogram (approximately \$0.48/kilogram), but private buyers did not pay premiums to the farmers.

For leaders of the cooperatives, the promotion by Fairtrade of higher-grade coffee results in a paradox. The organization emphasizes agricultural performance while demanding the termination of child labor in coffee farming. However, many farmers argue that stopping children from safely working on farms may threaten future coffee farming and the sustainability of coffee production in their communities. Fairtrade supports the 1973 International Labor Organization Minimum Age Convention n.138 which imposes minimum-age standards. Nevertheless, the organization also stipulates that children and their families and communities should be involved in identifying situations in which children feel unsafe as well as establishing projects to improve children's well-being.⁸ Although this approach eliminated child labor in the Moshi rural area, banning children from helping their parents on family farms has left the elderly in the coffee fields to work alone. Over the past thirty years, the average age of farmers incorporated in Fairtrade programs has increased noticeably. Since 2015, as they lost higher prices and premiums, most of them replaced coffee trees with food and cash crops that they could work on producing with their children. Thus, children who have followed a more traditional educational path are not participating in coffee agriculture, but instead, they are involved in food crops that are less targeted by child labor policies. The cooperative leaders expressed the concern that coffee farming in their region is threatened by the exclusion of children from productive activities to prevent child labor. However, they believe that a shift could be made if they can engage in a conversation with Fairtrade and bring evidence that some children experience wellness and fulfillment while working under the protection of their parents. Research in Ethiopia and in Côte d'Ivoire illustrated that economic work by young children could effectively foster life skills that benefit children in the long term and that eliminating social tasks grounded in the socialization of children is not always efficient (Taye, 2018; Babo, 2018). For the leaders of the Moshi coffee cooperatives, while excess involvement in work at a young age can be detrimental to child development, early participation in practical, hands-on tasks is equally essential to acquire the skills necessary to become an expert in different fields of work. Moreover, in the increasingly uncertain Tanzanian economy, possessing agricultural skills in addition to educational qualifications gives children a broader base for their future livelihoods.

Furthermore, the cooperative leaders' concerns about the future of coffee are based on the youth's increasing disinterest in the agriculture of export products, instead favoring other types of work. Because of Fairtrade's rigorous standards for coffee production, many young farmers tend to disregard coffee and use their land to grow food crops. For instance, Lyatuu D. toured the farm of his 38-year-old son who only plants plantains as a sign of his aversion to coffee farming. Young farmers pay more attention to the limitations of coffee production than the advantages it brought to their parents in the past. First, according to the Olotuu C., the secretary of the Old Moshi Cooperative, young men are disappointed by the amount of hard work

required for coffee production and its limited and disproportional return on revenue. The price of coffee remains low compared to food crops, especially for beans and corn. For example, in the four villages of Old Moshi Cooperative, five kilograms of beans could be sold at the local market for 12,000 TSHS (\$ 5.22), whereas the same quantity of coffee is only worth 10,000 TSHS (about \$ 4.35). While coffee bean provides only one opportunity for revenue a year, other types of beans are capable of four harvests a year. With corn and beans, young people make fast money to meet their families' primary and urgent needs. They do not have to take care of coffee trees and wait for a specific period of the year to go to an auction to generate cash. As Epafra P. emphasized, "My corn is my savings account. If I have a problem, I can immediately sell some right here on the village's market and have the cash to solve my problem." Consequently, young farmers are increasingly attracted to food crops because cultivating them does not require hard and painful work like growing coffee. Furthermore, beans, plantain, and corn can be consumed by household members if these products are not sold. Unlike these food crops, unsold coffee is kept in granaries waiting for market prices to rise.

Limited Knowledge of the Ethical Business by the Coffee Growers

Even if bonding farmers' livelihoods to the only actions of Fairtrade is overestimated, the limited information about Fairtrade and its activities is one of the factors that hinders the sustainability of community development initiatives. Indeed, the cooperatives' board members highlighted the lack of commitment for developing the entrepreneurial capacities of farmers and their cooperatives. Yet, according to Sen (1999), individual capabilities are one of the keys to strengthening sustainable community development. Farmers' poor knowledge about Fairtrade – especially its mission, price and premium settings, and certification process – is one of the weaknesses of this ethically-conscious initiative. In Moshi, since the Kilimanjaro Natives Cooperatives Union (KNCU) has served as the unique intermediary between Fairtrade and the farmers, the cooperatives' board members have limited knowledge of the organization. This lack of information prompted Olutuu C., the secretary of the Old Moshi Cooperative, to state that "we are in the darkness" when it comes to Fairtrade.

The producers we met ignore the purpose of Fairtrade to fix premium amounts and the mechanism of their higher prices to farmers. When asked how much they think one cup of Fairtrade coffee costs in America, our interviewees laughed in embarrassment and stated that they did not know. Yet, Fairtrade has delivered many training sessions for farmers and the organization's agents regularly visit the cooperatives. However, according to the participants, during these visits and training, Fairtrade's only concern is how to make them the "best producers of the best green coffee." Fairtrade's representatives neither explicitly explain its economic mechanisms nor elucidate their work and why the organization is willing to help the producers develop their communities. The chairperson of Old Moshi argues that "If they tell us more about themselves and the intricacies and tips of the coffee market,

we could generate the means and strength to fight for better prices and not remain the poor farmers we are.” The challenge remains how to turn the cooperatives into successful agricultural enterprises. The leaders regret that nothing is being done to enable farmers to transform themselves into coffee businessmen by acquiring skills in coffee quality assessment and developing small roasting factories. Building a new generation of coffee farmer-entrepreneurs through Fairtrade would entail a sustained increase in their income instead of waiting for premiums. However, although labeled as an “ethical business,” Fairtrade’s profit-driven philosophy is what holds it back from achieving full exposure of its approach and supporting the empowerment that farmers and their cooperatives desire.

Based on this lack of information and knowledge about Fairtrade, leaders should explore strategies to build more business-oriented cooperatives. They must push for more development-oriented programs rooted in their needs, knowledge, aspirations, and development vision. While Fairtrade’s effort intends to keep building skilled and knowledgeable farmers with the best cultivation practices to increase the production, the cooperatives’ leaders are willing to be involved in strategies that build on the progress made. At Old Moshi, the chairperson and the board embraced new cultural practices and improved a high-performance grafted and hybrid coffee plant called *Chotara*. In 2014, the cooperative’s board dedicated the 2013-2014 season’s premiums to developing nurseries of upgraded seedlings developed by the Tanzanian Coffee Research Institute (TaCRI). For the board, this improved variety of coffee beans is the future of their cooperative and their community, as it will allow them to step directly into the auction markets in Moshi. According to the farmers, the financial difference with the old variety is significant as the price could be as high as TSHS 5,400 TSHS/kilogram (\$ 2.35/kilogram) versus 2,000 TSHS/kilogram for the old variety at the Moshi auction. Twelve nurseries have been established in the four villages of the Old Moshi cooperative since 2015. The plan is to expand the distribution of *Chotara* to all cooperative members by the end of 2019. In the Kimoshi ward, the board members and ten farmers from five villages were trained by TaCRI and the Agriculture Office of the Moshi District to grow the improved coffee plant in May 2015. This shift aims to transform their rural cooperatives, which have devoted themselves to only selling coffee beans to small rural coffee roasting companies.

Farmers and cooperative leaders said that after years of growing coffee, generations of Tanzanian farmers sold only sustainable coffee without ever moving on to partial processing or roasting techniques that could have enabled them to generate more profit. Accordingly, farmers who may have had higher incomes in the past argue that “poverty remains in our community.” Therefore, improving livelihoods is a reiterative process that the board members have embraced through creativity and new manufacturing processes. For the chairpersons of the two boards, the time has come to transform their cooperatives with the business-oriented ideology that will generate more profits. They want to develop and engage in a type of Fairtrade that will finally allow them to fully increase their economic gains by trading at auctions and processing through roasting.

Conclusion

This study demonstrates that the social impact assessment of the fair-trade business on community development is more complicated than simply compiling quantitative data. When assessing the qualitative changes and contrasting them with the past, the impacts are more elusive, resulting in both positive to negative changes. Moreover, evaluating Fairtrade's effects on Moshi coffee growing communities from the farmers' perspective informed how they evolved from feeling content to feeling discontent over the years. The study illustrates Fairtrade's high points and farmers' success stories that are generally visible on coffee packaging or Fairtrade's website, though these developments are not permanent. Through ethnographic engagement, this research captured farmers' views that there have been significant moments of success. They acknowledged that Fairtrade has impacted their community with as much fluctuation as coffee prices. Decades of production have educated growers about the instability of coffee prices and the benefits they can derive from this reality. Farmers thus appreciate the work and improvement brought by Fairtrade, especially on many aspects of their social lives related to gender equality, democracy, and environmentally conscious farming.

Yet, these improvements need to be integrated into a sustainable approach that would more permanently embed the changes into the community. The farmers underline the complexity of the ethical organization's approach, which maintains the vagueness around its ethically-based economic model. Although the initiative adheres to the moral ideal of fairness while trading, it is clear that Fairtrade remains to function as a profit-driven organization just like other distributors involved in the international commodities market. Years of involvement in the fair-trade movement have taught farmers that in today's liberal economy, it is impossible to eliminate intermediaries from global trade. Members of the cooperatives believe that they will only support and benefit from the sustainable development of their communities through their direct involvement in the market for processing semi-finished or finished roast coffee.

In line with this perspective, the cooperatives are exploring strategies that will help them control the impact of initiatives on their communities instead of allowing such decisions to be made exclusively by external partners. They intend to learn more about the coffee markets and their intricacies. They have stepped into the market by sending their production directly to auction. At this stage, the cooperative leaders would like to see Fairtrade help them develop their business and market transaction skills besides producing top-grade coffee. They believe that this is the best way to promote positive, long-term change in the communities. ☀

Notes

- 1 Fair trade (two words) refers to the concept that embodies the social movement and alternative ethical economy. Fairtrade (one word) refers to the organization and/or the brand “Fairtrade.”
- 2 See Fairtrade Africa social performance report: 2010-2013. <https://www.fairtradeafrica.net/resources/social-impact-report/>
- 3 Accordingly, FTA created the Fairtrade Africa Impact Recognition (FAIR) ‘Ngoma’ Awards, which is Fairtrade Africa’s first-ever initiative for rewarding African Fairtrade certified producers for their exemplary contribution to Fairtrade principles. <https://www.fairtradeafrica.net/wp-content/uploads/2016/05/FTA-Annual-Report-2017.pdf>
- 4 Consisting of Dar es Salaam Loyola High School faculty and students of Geography Club involved in the faculty learning community partnership with Fairfield University.
- 5 See the Tanzania Coffee Board <http://www.coffeeboard.or.tz/>.
- 6 <https://www.fairtrade.net/about/key-benefits-of-fairtrade>
- 7 Sango, Mdawi, Mowo, Shia, Kisaneni, and Lyakombila.
- 8 Fairtrade Statement: *Children, young people, and adults are at the heart of the programme. They identify potential and/or actual risks to children’s well-being and make recommendations on how to respond. Fairtrade developed the YICBMR system specifically to promote the welfare and development of children in and around producer organizations. It has been piloted in 12 countries over the last three years. Children and adults from the producer communities identify where children feel safe and unsafe and design projects to enhance children’s well-being and development, going far beyond merely responding to child labor.*

Bibliography

- Agrawal, A. (2001). Common Property Institutions and Sustainable Governance of Resources. *World Development* 29(10): 1649 – 1672
- Babo, A. (2018) Eliminating Child Labor within Families in Rural Areas: Limits of Community-Based Approaches in South-Western Côte d’Ivoire. In *Child Exploitation in the Global South*, edited by Jerome Ballet & Augendra Bhukuth, 65 – 90. Palgrave MacMillan
- Baland, J-M and Platteau, J-P. (2000). *Halting Degradation of Natural Resources: Is There a Role for Rural Communities?* Oxford Scholarship Online. DOI:10.1093/0198290616.001.0001
- Ballet, J and Pouchain, D. (2015). Fair Trade and Justice: A Comment on Walton and Deneulin. *Third World Quarterly* 36 (8): 1421–1436.
- Ballet, J, Bazin, D., Dubois, J-L., Mahieu, F-R. (2011). A note on sustainability economics and the capability approach. *Ecological Economics* 70, 1831–1834.
- Ballet, J. and Carimentrand, A. (2010). Fair trade and the depersonalization of ethics. *Journal of Business Ethics*, 92, 317-330.
- Brown, K. (2013). *Buying into Fair Trade Culture, Morality, and Consumption*, New York, NY: New York University Press.
- Brown, K. and Lyon, S. (2017). Consume This! What Economists Get Wrong about Fair Trade Coffee. *Consumer & Consumption*. <https://asaconsumers.wordpress.com/2017/10/02/consume-this-what-economists-get-wrong-about-fair-trade-coffee/>
- Chase, A. (1990). Anthropology and Impact Assessment: Development Pressures and Indigenous Interests in Australia. *Environmental Impact Assessment Review* 10, 11 – 23.
- Cole, L. and Brown, K. (2014). The Problem with Fair Trade Coffee. *Contexts* 13(1): 50-55
- Dare, M., Schirmer J. and Vanclay, F. (2014). Community Engagement and Social Licence to Operate. *Impact Assessment and Project Appraisal* 32(3): 188 – 197.
- de Rijke, K. (2012). The Symbolic Politics of Belonging and Community in Peri-urban Environmental Disputes: the Traveston Crossing Dam in Queensland, Australia. *Oceania* 82(3) 278 – 293.

- de Rijke, K. (2013). Coal Seam Gas and Social Impact Assessment: An Anthropological Contribution to Current Debates and Practices. *Journal of Economic and Social Policy* 15 (3): 1-27.
- de Souza A. 2007. Our Village Puts Aside Politics for the Sake of Development. In *Fluid Communities and Stable Claims*. In *Waterscapes. The Cultural Politics of Natural Resource*, edited by Baviskar Amita, 1 – 8. Uttaranchal: Permanent Black.
- Dill, B. (2009). The Paradoxes of Community-based Participation in Dar es Salaam. *Development and Change*, 40(4) 717 – 743.
- Dragusanu, R. and Nunn, N. (2014). *The Impacts of Fair Trade Certification: Evidence from Coffee Producers in Costa Rica*, Working paper.
- Eckert, A. (2003). Comparing Coffee Production in Cameroon and Tanganyika, c. 1900 to 1960s. In *The Global Coffee Economy in Africa, Asia, and Latin America, 1500-1989*. New York: Cambridge.
- Esteves, A.M., Franks, D. and Vanclay, F. (2012). Social Impact Assessment: the State of the Art. *Impact Assessment and Project Appraisal* 30(1): 34 – 42.
- Evans, P. (2002). Collective capabilities, culture, and Amartya Sen’s development as freedom. *Studies in comparative international development*, 37(2), 54 – 60.
- Lyon, S. (2010). *Coffee and Community: Maya Farmers and Fair Trade Markets*, Boulder CO: University of Colorado Press.
- Fair Trade USA, n.d. *About Fair Trade USA*. <http://fairtradeusa.org/about-fair-trade-usa>
- FTA [Fair Trade Africa] 2017. *Annual Report: Partnerships for Impacts*, <http://www.fairtradeafrica.net/wp-content/uploads/2016/05/FTA-Annual-Report-2017.pdf>
- Haight, C. (2011). The Problem with Fair Trade Coffee. *Stanford Social Innovation Review*. (http://www.ssireview.org/articles/entry/the_problem_with_fair_trade_coffee).
- Imperiale, A. J., and Vanclay F. (2016). Using Social Impact Assessment to Strengthen Community Resilience in Sustainable Rural Development in Mountain Areas. *Mountain Research and Development* 36(4): 431 – 442.
- Jijelava, D. and Vanclay, F. (2014). Assessing the Social Licence to Operate of the Work of Humanitarian and Development Cooperation Organizations. A case Study of Mercy Corps in Samtskhe-Javakheti, Georgia. *Social Epistemology* 28(3-4): 297 – 317.
- Lyon, S. and Moberg, M. (2010). What’s Fair? The Paradox of Seeking Justice through Markets. In *Fair Trade and Social Justice: Global Ethnographies*. Edited by Lyon, S. and M. Moberg, 1-24. New York: New York University Press.
- Lyon, S. (2008). We want to be equal to them: Fair-trade coffee certification and gender equity within organizations. *Human Organization* 67(3): 258 – 268.
- MacDonald, A. (1966). *Tanzania: Young Nation in a Hurry*. New York: Hawthorn Books.
- Morrison, S. (2012). Fairtrade: Is It Really Fair? *The Independent*, Independent Digital News and Media. <http://www.independent.co.uk/news/world/politics/fairtrade-is-it-really-fair7717624.html>
- Nash, D. and Smith, V. L. (1991). Anthropology and Tourism. *Annals of Tourism Research* 18, 12 – 25
- Nchahaga, G. S. (2002). *Investigating the Worst Forms of Child Labour, Tanzania Children Working in Commercial Agriculture-Coffee: A Rapid Assessment*. International Labour Organization, International Programme on the Elimination of Child Labour (IPEC)
- Nelson, V. and Martin, A. (2015). Fairtrade International’ Multi-dimensional Impacts in Africa. In *Handbook of Research on Fair Trade* edited by Reynolds Laura and Elizabeth Bennett, 509 – 531. Northampton, MA: Elgar.
- Pendergrast, M. (2015). *Beyond Fair Trade: How one small Coffee Company Helped Transform a Hillside Village in Thailand*. Vancouver, Greystone Books.
- Reynolds, L. and Bennett, E. (2015). *Handbook of Research on Fair Trade*. Northampton MA: Edward Elgar.

- Raynolds, L. and Greenfield, N. (2015). Fair Trade Movement and Markets. In *Handbook of Research on Fair Trade* edited by Raynolds Laura and Elizabeth Bennett, 24 – 41. Northampton, MA: Elgar.
- Raynolds, L., Murray, D., and Wilkinson, J. (2007). *Fair Trade: The Challenges of Transforming Globalization*. Routledge.
- Raynolds, L. T. (2009). Mainstreaming Fair Trade Coffee: From Partnership to Traceability. *World Development* 37 (6): 1083–93.
- Roscoe, P. B. (1995). The Perils of ‘Positivism’ in Cultural Anthropology. *American Anthropologist* 97(3): 492 – 504
- Sen, Amartya. 1999. *Development as Freedom*. New York City, Alfred Knopf
- Silverman, S. F. (1966). An Ethnographic Approach to Social Stratification: Prestige in a Central Italian Community. *American Anthropologist* 68(4): 899 – 921.
- Solomon, L. (2011). Fair trade coffee producers often end up poorer. *Financial Post*. <http://business.financialpost.com/opinion/lawrence-solomonfair-trade-coffee-producers-often-end-up-poorer/wcm/5c8503d9-08b1-4b0a-bd216eldeb93f4fa>
- Sylla, N. S. 2014. *Marketing Poverty to Benefit the Rich*, Athens, OH: Ohio University Press.
- Swan, K. (2019). *Coffee, Jesuits, and Justice: A Cooperative Model Addresses Root Causes of Migration*. <https://ignatiansolidarity.net/blog/2019/02/06/coffee-jesuits-justice-migration/>
- Tanzania Coffee Board. (2016). *Coffee in Tanzania*. www.tanzaniacoffee.com.
- Taye F, (2018). *Changing Childhoods, Places, and Work: The Everyday Politics of Learning-By-Doing in the Urban Weaving Economy in Ethiopia*, Erasmus University of Rotterdam.
- Walker, G. (2010). Environmental Justice, Impact Assessment, and the Politics of Knowledge: The Implications of Assessing the Social Distribution of Environmental Outcomes. *Environmental Impact Assessment Review* 30, 312 – 318.
- Weiss, B. (2003). *Sacred Trees, Bitter Harvests: Globalizing Coffee in Northwest Tanzania*. Portsmouth: Heinemann.
- WFTO [World Fair Trade Organization]. (2013). *A Charter of Fair Trade Principles*. <http://www.fairtrade-advocacy.org>.
- Wydick, B. (2014). *The Taste of Many Mountains*. Nashville, TN: HarperCollins
- Wydick, B. (2016). *10 Reasons Fair Trade Coffee Doesn’t Work*. http://www.huffingtonpost.com/bruce-wydick/10-reasons-fair-trade-coffee-doesn'twork_b_5651663.html

