Between market and movement: The Fair Trade coffee 'buycott' in the United States and Nicaragua

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Abstract: This paper explores a deceptively simple question: why do peasant farmers participate in Fair Trade coffee networks? Campaigns touting Fair Trade often suggest that farmers are incentivized to participate due to price premiums and social development benefits. However, a growing literature documenting development outcomes in coffee farming communities suggests that farmers do not reap the benefits of Fair Trade in the way they are presented in the global North. I draw upon ethnographic research in a community that is one the earliest suppliers of Fair Trade in Nicaragua. Combining participant observation, political economic analysis, and oral history interviews, I explore a conflict over out-of-network coffee sales in 2005 that threatened to undermine supplies of high quality coffee critical to the growth of the producer organization and by extension the Fair Trade network. The conflict and its aftermath reveal place-based moral economic entanglements between farmers and producer organizations in Nicaragua that shape whether farmers deliver the goods. I argue that farmers participate in Fair Trade networks in spite of low household incomes and cycles of indebtedness because of the ability of the producer organization to maintain a sense of solidarity linking coffee contracts to a longer agrarian struggle.