

FAIR TRADE SERVICE

(These are all true stories)

Voice 1 Edwin Fernando Diaz Viera coffee farmer in Guatemala

I didn't know what I was going to do. I'm devastated. My coffee fields were ruined! It was my lifelong dream to own a coffee farm. I found this farm outside the Northern Guatemala town of Olopa, just near the Honduran border. It was so big and beautiful. I put my heart and soul into working the land. I was so excited. And now look! My first crop - I lost it all to a plant fungus, coffee rust, roya in Spanish. It just appeared and wiped out everything. I'm in debt. I have no money to start over. I thought I was ruined!! The rust took it all, just roared over the hillsides, covered the valleys and clung to the slopes of Guatemala's shady volcanoes. It was like an atomic bomb – wiped the whole place clean.

I'm not the only one in deep trouble. In El Salvador I hear nearly $\frac{3}{4}$ of all the coffee trees are infected with the fungus; in Costa Rica more than 60 % are infected and in my country, coffee rust covers 70 % of crops. All the other farmers in my area are bankrupt. I hear 100,000 jobs are lost and coffee supply has dropped over the past 2 years. This darn change in climate. It's so much hotter than it used to be and this fungus thrives in hot weather. The rust has spread to higher altitudes where we grow coffee. It didn't spread this high before where the finest Arabica beans are grown.

About a third of the farmers in this area have left for the U.S. to find work to support their families back home. They were desperate. No coffee crop, no money – what's a person to do? They have to find some way to support their families. I don't blame them. I was thinking of doing the same. I heard about the Mendez brothers not too far from here. Their families were deep in debt, both from the smuggler who tried to help them cross the border and from their previous failed crop. Jose made it to New York but his brother, Humberto, was caught and sent back. Now his family is even deeper in debt from having to pay the smuggler and having no crop when he returned. But thank God, I heard about interest free loans that Green Mountain Fair Trade coffee company is offering as well as training in how to grow rust resistant beans. Humberto and I are both going to accept their help. We have to. We both just hope that we can start over with new seeds. I have heard the coffee isn't as good but I am willing to give it my all. I don't want to leave my family and have to start all over in a strange country, not knowing the language or customs and having no friends or family to live with. Who knows, maybe I wouldn't even find work there. Maybe the border guards would arrest me and send me back and I would be worse off like Humberto was. Maybe I would even die if I got lost in the desert trying to cross the border. Some of my neighbors whose husbands left have not heard back yet if they made it safely. They are worried sick. They fear the worst.

I also heard about another group, a Fair Trade Catholic nonprofit. They gave another farmer neighbor vegetable seeds and fruit trees that provide shade and protection from rust. That farmer is diversifying so he has income from other sources. He used some of the loan money they offered to buy chickens. His chickens are laying eggs like crazy. He can't keep up with

demand. When he is able to pay off the loan completely, that money will go to another farmer in trouble. We are so fortunate to have these fair trade companies that know what is happening to us and want to help. Now we can keep our farms and stay home with our families.

Voice 2 Jesus Martinez Salazar, the director of organic coffee for CEPCO, the largest coffee farmer co-op in Oaxaca

We are the sons of this crisis. We had to design our own solutions. All the upheaval started around 1989 when we knew NAFTA was going to be ratified. Our president Carlos Salinas announced he would sign the great NAFTA agreement with Canada and the U.S. and we would all prosper. Ha! What a cruel joke that was. Instead of preventing chaos and huge increases in immigration to the U.S., NAFTA caused them. I have never seen such devastation as NAFTA caused us small scale farmers. Let's start with us coffee farmers. Mexico is the largest producer of organic coffee in the world. We are proud of our high quality coffee beans and the loving care we give them. About ½ million of us make a living growing coffee. In Oaxaca alone, 23,000 of us grew coffee. We have had these family farms for so many generations. Coffee is our soul and our lives, integrally interwoven into our culture and history. President Salinas agreed to have the government stop helping us farmers as part of the trade deal. We lost our government low interest loans and help finding markets for our coffee. Because of the loss of government support, we were forced to sell our beans to the coyotes, middlemen, who bought our beans for less than it cost us to produce them. What's worse, we had to borrow money from them at such high interest rates to get through the harvest that we could never pay them back. So we were stuck in a vicious cycle of debt. But what could we do? We had no alternative buyer for our beans after the loss of government support. What made us so angry was the NAFTA agreement did not force the U.S. to stop their government support for their farmers. The U.S. government continued to give subsidies to their corn and soy bean farmers. That caused great suffering to our corn farmers as well. Corn is the main crop of our country. So many farmers grow corn because it is a staple of our people. So you can imagine what misery happened when the U.S. sent their surplus subsidized corn crops to Mexico at prices so low that our corn farmers could not possibly compete. 1 million of our farmers went bankrupt and another 1.4 million other Mexicans dependent on the farm sector lost their livelihoods. 28,000 Mexican businesses went under as well due to competition from big box stores that opened and sold goods imported from Asia. The resulting suffering of so many Mexicans was tremendous. It caused a great depression. Wages dropped to one-third of what they were before NAFTA. Farmers were forced to leave their farms and families and look for work in the cities. As jobs disappeared in the cities and wages sank, 12 million desperate Mexican farmers immigrated to the U.S. illegally competing for low-wage jobs there. After NAFTA the poverty rate grew to 19 million people more than before NAFTA. Children suffered from malnutrition for lack of food. We are still suffering from NAFTA today. Over half of our population and 60 % of our rural population fall below the poverty line. The irony is NAFTA supporters said we would benefit from lower consumer prices from cheaper imported products. But just the opposite happened. The rules that corporations included in NAFTA allowed them to buy up all the bankrupt land and grow larger with less competition. So they were able to raise prices at the same time as they paid less to farmers they hired to grow their crops, some of them the very same farmers that went bankrupt. The investment and service rules allowed corporations to consolidate grain trading,

milling, baking and retail. Income inequality is now one of the highest in the world. The devastation from all this loss of wages, unemployment and poverty led to social upheaval as I had never witnessed. Our social fabric unraveled. Increased drug trafficking and violence came in its wake. Our country has never recovered.

But we coffee farmers who were stubborn enough to weather out the economic storm became determined to stay on our farms with our families and start from nothing to build our coffee growing business all over again. The struggles were many and the road very rough. I look back on those times and wonder how we survived. We started meeting and organizing. Labor groups, farmer groups and the Catholic church all banded together to help us start a co-op. We found new markets through fair trade and became fair trade certified. That opened the door to technical assistance, low interest and interest free loans and transportation channels. It took massive efforts and years of hard work but we succeeded. Now we are 16,000 strong with 38 member farm groups representing 423 communities in every region of Oaxaca. Each region represents a group of indigenous people with its own distinct language, culture and traditions. 33% of us are women. The Fair Trade system allowed us to make a decent price on our coffee beans. We have a democratic structure with representative decision making. All the farmers meet once a month in their villages to discuss production. These farmers elect representatives that get together for meetings on a regional level and a national level. The women have their own representative organization and have a say in how the co-op operates.

CEPCO has seen conditions improve in our towns because of fair trade and the fair trade premium – better schools, roads and health care, extra income for women to raise chickens and grow organic vegetables. The extra money allows us to create technical training jobs that go to local people rather than outsiders to help train farmers in organic, sustainable growing practices. This way the money stays in our communities. We use that money for projects that each of our regions decide will benefit our individual communities. My group of farmers decided to use it to build a warehouse to store our coffee beans. Another group decided to use it to start a grocery store so their farm community wouldn't have to go so far to get groceries. These uses have created more jobs in our community. We are so proud of our accomplishments and feel so strong now. We have been able to overcome the obstacles presented by NAFTA and prosper. And best of all we didn't have to lose our farms or go illegally to the U.S.

Voice 3 Yolanda, employee at Alta Gracia clothing company Dominican Republic

I cried so hard when BJ&B apparel factory closed. I had worked there 9 years. The work conditions were dreadful – long hours of grueling work, forced overtime with no extra pay, poor ventilation and dust everywhere, terrific heat, only one bathroom for so many and no breaks. Our supervisor treated us so badly, vulgar language, threats, intimidation, insults, sexual advances. Everyone was exhausted and depressed. But it was the only job we had so we put up with it. Then the owner closed with no warning. We came to work and there was a notice that he was taking the business to South Korea. I only made \$165.00 a month. It wasn't enough to live on. But life was even more miserable when I lost it. I had 5 extended family depending on my husband's limited income after I lost my job. We had to borrow money to live and couldn't

afford the basics like my blood pressure medicine. I didn't know what I would do. We thought about my husband going far away in search of work, maybe even to the U.S. Thank God Knights of Apparel bought the building and opened a new clothing company. They wanted to make it a FairTrade factory, an experiment to prove you could pay a living wage, have good working conditions and still make a profit. All the models of clothing companies had been based on the premise that good working conditions and good pay were impossible to provide and still be a viable clothing company because they would not be able to compete with the rock bottom prices of sweatshops. But Knights proved them all wrong and became an example of a new way of doing business. The motto was, changing lives one shirt at a time. It was like entering paradise compared to the old clothing factory. We are paid \$497.00 a month, 3 times what we were paid before. Besides finally making a living wage, we have other benefits too – sick leave and vacation time. Overtime is voluntary and compensated with extra pay. We are guaranteed full time work even if there is a temporary decrease in factory orders. Any part-time or temporary workers make the same living wage as full-time employees. Our wages go up as inflation goes up so we keep pace with the standard of living. We have a bonus system that rewards high quality and high performance. And what a difference in work atmosphere! I actually look forward to going to work. It's well ventilated so I don't get dust particles in my lungs. We can see sunlight shining in the windows. No physical or verbal abuse is allowed. We are treated with respect and dignity. That is the best part of working here. Our rights as workers are respected. We have a union and bargaining power. We have a channel for expressing complaints and making suggestions on how to improve our operation. Management agreed to change work hours and close early on Fridays to permit more time for household chores. When there are Thursday holidays, the company lets us have a four day weekend so we can be with our families. The Worker's Rights Consortium is welcome here and works closely with the union. It monitors and audits our operation and says if all companies were like ours, they would be out of business. The Consortium report states that Alta Gracia factory achieves a culture of respect for worker's rights that represents a model for the apparel industry. The atmosphere is so friendly and we support each other in team efforts. People are happier. You can tell they are uplifted, not depressed like before. Some workers just break out in song sometimes, they are so happy. Our turn over is really low and people have less sick days. We are actually healthier for the better work environment. It shows in our higher productivity and quality of work. We supervise ourselves so we don't have extra costs of supervisors. We are so proud of the fact that we are turning profit after 3 years being open. We sell to colleges and universities who support sweat free clothing and have made a commitment to support only companies with exemplary labor conditions. We sell to their bookstores. Some are owned by Barnes and Noble and others are independent. We are going to expand by working with sports teams to make their team apparel. The teams like our t-shirts because they are of such high quality and they like to support us because we support our workers in a way that no other company does so we have a great reputation by buyers who want to support ethical companies.

My life is so much better now. Husband and I can take care our 2 children and my mother and father. We have better nutrition and they can afford to go to school. I can afford the medicine my mother and I need. My health has improved so much. I feel more confident and assured. I was able to pay off the debt we had. I could even get a bank loan now. I am going to save

money and buy a house. I just hope and pray that Alta Gracia continues to grow and more people can get a decent job.

VOICE 4 Yolanda Oqueli, leader of the La Puya's anti-mining resistance

The Canadian company, Radius Gold, bought land in La Puya almost 10 years ago. They paid a pittance for it, convincing the owner that the land would be used to grow coffee. But 3 years ago, they came to the site bringing mining equipment and we realized what they were really up to. We were very concerned about what damage the mine would have on the environment, our precious water supply and the air. We are a farming community 11 miles north of Guatemala City. We are in a semi-arid La Puya region with a limited supply of water. Many of our people have access to fresh water only a few days of the week. The mining company would use 155 cubic meters of water a day – the equivalent of what one family would use in a year. Besides the water use, we knew that there would be great quantities of arsenic released into the water and air. The exposed rock can produce highly toxic acid mine drainage. We worry that our farm land will be ruined from contaminated water, our forests will be destroyed and our wildlife harmed. Life is priceless. We are fighting for our lives, our children's lives, our water, our corn and bean crops and our land that we live on. The Guatemalan government signed the Environmental Impact Assessment even though the mining company stated the project would have terrible consequences for the surrounding environment, especially the water.

I grew up in San Jose del Golfo. I met my husband while I was working in a shop here. He is an agricultural engineer. I started attending meetings with him about what we could do to resist this ugly attack on our community's well-being. Back then I was the only woman. I decided to organize the women. At first they were hesitant because of the machismo in our culture. We are supposed to stay home and take care of our children. But little by little, they started to understand the great threat of this mining to our community. We decided to blockade the mining company and not let them bring in their equipment. I was driving home one day and saw their machinery coming in. I pulled in front of them so they couldn't continue. The other women joined me and we built a barrier to guard against them. We have families take turns guarding the blockade 24 hours a day so the miners can't work. We decided to make it a peaceful resistance. No violence. When we looked at other protests against mining activities in Guatemala, we realized that men are more likely to respond to violence with violence, while women are better at keeping a cool head. We wanted our movement to be peaceful so we have more women. As women we have gained a lot of respect from the men for our strength and courage to resist. We have been guarding the barrier for 3 years now. At first the men didn't listen to us. Some of the miners were aggressive and tried to hurt us. I was attacked while driving home. Men shot at me and hit me with a bullet right above my kidney. Someone came to my aid and took me to the hospital. They couldn't remove the bullet. It was too close to my spine. Now I am in pain but it doesn't stop me. I know people resisting mining in other areas who have been kidnapped, tortured and killed. So by the grace of God I was spared. Mining companies hire former army members to break into homes, ransack, rape and murder

community members who protest. The government arrests resisters and sentences them to long prison terms. There are 345 approved mining licenses and another 592 pending. Can you imagine the turmoil this will cause in so many communities!

3 years into our protest the government finally sent hundreds of riot police with a caravan of mining equipment in the middle of the night to break the road block. We put out a call for help with ringing of the church bells. 800 people from surrounding communities showed up and we peacefully turned away the mining machinery and the police. They set up an opposing camp but we remain strong. The Guatemalan supreme court ruled to suspend mining activities due to lack of community consent. But the mining company ignored this ruling.

We have the support of the Catholic church who help us resist and the help of the international community who come to visit. We welcome people from all over the world. Before we were ignorant but now we have learned the reality of the world – what mining means for our community – sickness and destruction. Our connection to the world has led communities to see their struggle against mining as part of a global struggle, especially in Mexico and other Latin American countries. Their struggles are similar to ours. We connect to them to struggle together.

The mining company, Nevada based Kappes, Cassidy and Associates, has threatened to sue the Guatemalan government if the mine fails to move forward. This suit is part of the CAFTA Trade Agreement made between the U.S. and 7 Central American countries in 2006. There was a clause in there called the Investor-State Dispute Settlement that gave corporations the power to sue any government laws or regulations that interfere with the future profits of these corporations. The suit would go to an independent, secret, unaccountable foreign court decided by corporate lawyers. Corporations have used this clause to sue Central American countries over public interest laws and environmental protections and the countries have to use tax payer money to settle. These lawsuits can be financially devastating to poor countries that can't afford to pay basics let alone pay costly court battles with multinational corporations. That forces the governments to favor corporate interests over citizen rights. It has led to mining company exploitation. CAFTA has caused cheap flow of American agricultural goods that has displaced millions of farmers and businesses, caused high unemployment, labor abuses, low wages, poor working conditions, increased poverty, violence, societal upheaval and break-down. These factors result in a huge increase in illegal immigration. After CAFTA was signed, Illegal immigration doubled in the next 10 years with a tripling of undocumented children from Honduras alone fleeing violence and crossing the border. We saw all this coming but couldn't stop it even though hundreds of thousands of us turned out all over Central America to protest. The Mexican indigenous people lost their land rights because of NAFTA. They led a massive uprising under the Zapatistas as a result. Our great hope is to change these trade agreements that hurt our poor communities, the environment and democracy. We must work together to remove the Investor-state dispute boards from all trade agreements. Trading away our livelihoods, rights, communities, and environment to corporations is not a free trade. We demand fair trade, transparency and protection from unbridled corporate power in trade deals.

VOICE 5 Carmen, Mayan Hands Co-op artisan member

I had only known extreme poverty since as long as I can remember. My Mom had no money when I was little. We were lucky to even have tortillas and salt to eat. My Mom was always working from 5:00 in the morning till late into the night. But we were barely able to survive. Life was so hard.

When I was 7, I was eager to learn weaving. All of us Mayans learn to weave young. It is part of our culture. We have been weavers for at least the last 5 centuries. It became the only way we could keep our history and culture alive. First the Spanish came and conquered us in the 15th century. They burned all of our sacred texts and books that contained our history. Then came the missionaries who wanted us to forget our history and take on their religion. Then civil war broke out in the second half of the 20th century. Again we were brutalized and marginalized. The only way to resist this effort to destroy us was to preserve our history and culture in our weaving. It's a special kind of weaving with a backstrap loom.

I never had time to play. I had to take care of the house and my brother and weave in my spare time. My mother would spend all day at the market trying to sell scarves. She would come home exhausted and discouraged, having sold none some days and other days being forced to sell the products for less than the cost of materials.

I left school when I was 10 because Mom needed me at home to take care of the house and my brother when she went to the market. I married young to relieve Mom from the burden of having to provide food for both my brother and me. My husband is a farm laborer. He is gone a lot looking for work or working far away because he can't find work closer. Many of my friends married young too. Some of their husbands had to look for work in the U.S. because there was none anywhere in Guatemala. They send money home to help their families have food. My husband had talked of doing the same because we became so desperate to find work. We had no income and I was pregnant. I was so worried about what would happen to my child if we couldn't find work. I found some work making beads but I was only paid 12 cents a day, not enough to eat. Then I heard from a friend about a woman who was helping her start a business in weaving with pine needles. My friend said she and some other women started a co-op with this person's help. She said I should talk to her. She was from a Fair Trade business called Mayan Hands. How fortunate I was to meet her! She agreed to help me learn how to do felting. I started making felted animals. She said there is a good market for them in the U.S. She gave me the supplies I needed to get started so I didn't have to come up with money I didn't have to make the animals. She told me she would pay me a good price for my work. She gives me the orders and I make the animals. When I deliver the animals I get paid and receive another order. I am so grateful for the steady income I know I can count on. Life is so much more bearable now. I can take care of my daughter who was born healthy and know I will be able to provide for her. My husband is so pleased and proud of me. I can tell he has more respect for me and listens to my opinions now. I have a say in our family decisions. He even helps out at home when I am working. Who would have ever thought that would happen? He feels bad that he can't provide better but he so grateful for my work with the Mayan Hands Co-op.

My daughter will be able to finish school and have more choices than I had as a child. I am even taking some classes now in between work. The Mayan Hands Co-op has set aside a scholarship fund for education. Maybe my daughter can get a scholarship if she does well in school. Maybe

she will decide to be a doctor or teacher. Who knows what she might aspire to. Our future looks so much brighter now that I have found Mayan Hands. My husband never talks about migrating to the U.S. anymore. We feel secure in our future.

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