

The Coffee Chain Game



**An activity on trade for
ages 13 and above**



Oxfam

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Links in the chain

'I'd like you to tell people in your place that the drink they are enjoying is now the cause of all our problems. We grow the crop with our sweat and sell it for nothing.' Lawrence Seguya (Ugandan coffee farmer)

Coffee has become more and more popular in the UK in recent years. Whereas once we were a nation of tea drinkers, known for our ability to brew and enjoy a good 'cuppa', we now go to coffee shops in increasing numbers to consume a range of different kinds of coffee including cappuccinos, lattes – tall, short, or skinny – decaffeinated coffee and coffee flavoured with syrups. We know that coffee is imported from tropical countries, but many people are not aware of the hardship endured by those who grow it.

There is a huge differential between the price we pay in a coffee shop (or in the supermarket) and the amount received by a coffee farmer. Most farmers are selling their coffee at a loss, and relying on subsistence farming to support their families. Meanwhile, well-known coffee brands are making big profits, even after marketing and processing costs are taken into account.

The Coffee Chain Game will help players understand how coffee is produced, how it reaches us, and how it is that the people at one end of the chain – the farmers – receive such a small share of the profits they have helped to generate.

The game is designed primarily with teachers of pupils aged 13 and over in mind, but is also suitable for use with any group that wants to learn more about international trade, and why its benefits are so unequally distributed.

Unless otherwise indicated, statistics, facts, and figures are taken from *Mugged: Poverty in your Coffee Cup* (Oxfam International 2002).

Aims

In *The Coffee Chain*, pupils will:

- Learn about the coffee chain, and how coffee 'cherries' (the fruit of the coffee bush) are turned into the coffee which is consumed in the UK
- Learn how the profits are unfairly distributed along the coffee supply chain and think about why this is the case
- Empathise with coffee farmers
- Consider a global issue from different viewpoints
- Develop speaking and listening skills through discussion and debate
- Develop critical thinking skills by engaging with topical issues
- Consider the impact of their choices as global citizens, and reflect on what actions they can take to make a difference.



Geoff Sayer/Oxfam

Lakeli Nambafu, a coffee worker, compares Ugandan green coffee with East African roasted beans bought in a British supermarket.

About this resource

The Coffee Chain Game consists of an introductory activity (including a coffee quiz), the main role-play game, and case studies from Uganda. The introductory activity is meant principally for school groups but can easily be adapted for other groups if required. It aims to give players an overview of the whole of the coffee supply chain before they progress to the main game, where different players will be concentrating on different sections of the chain.

If time is short, teachers and group leaders should concentrate on the main role-play activity, which takes between 30 and 50 minutes, depending on the group.

Pages 4–6 give background information on coffee for teachers and group leaders. Page 14 presents two case studies of people from Uganda whose livelihoods depend on coffee. Participants could be given copies of the case studies to read after they have played the game.

***The Coffee Chain Game* links to the following curriculum areas:**

Geography, Citizenship, PSE, PSHE, Modern Studies, Business Studies.

Oxfam and global citizenship

One of the key educational concepts on which *The Coffee Chain Game* is based is that of global citizenship.

Oxfam's *Curriculum for Global Citizenship* gives an educational framework for the skills, knowledge, values and attitudes that enable young people to grow up as global citizens. To obtain a free copy, contact Oxfam (tel: 0300 200 1300; e-mail: education@oxfam.org.uk).

The key elements for responsible global citizenship

Knowledge and understanding

Social justice and equity
Diversity
Globalisation and interdependence
Sustainable development
Peace and conflict

Skills

Critical thinking
Ability to argue effectively
Ability to challenge injustice and inequalities
Respect for people and things
Co-operation and conflict resolution

Values and attitudes

Sense of identity and self-esteem
Empathy
Commitment to social justice and equity
Concern for the environment and commitment to sustainable development
Belief that people can make a difference

Background information for teachers and group leaders

The problem with coffee

Poverty and coffee farmers

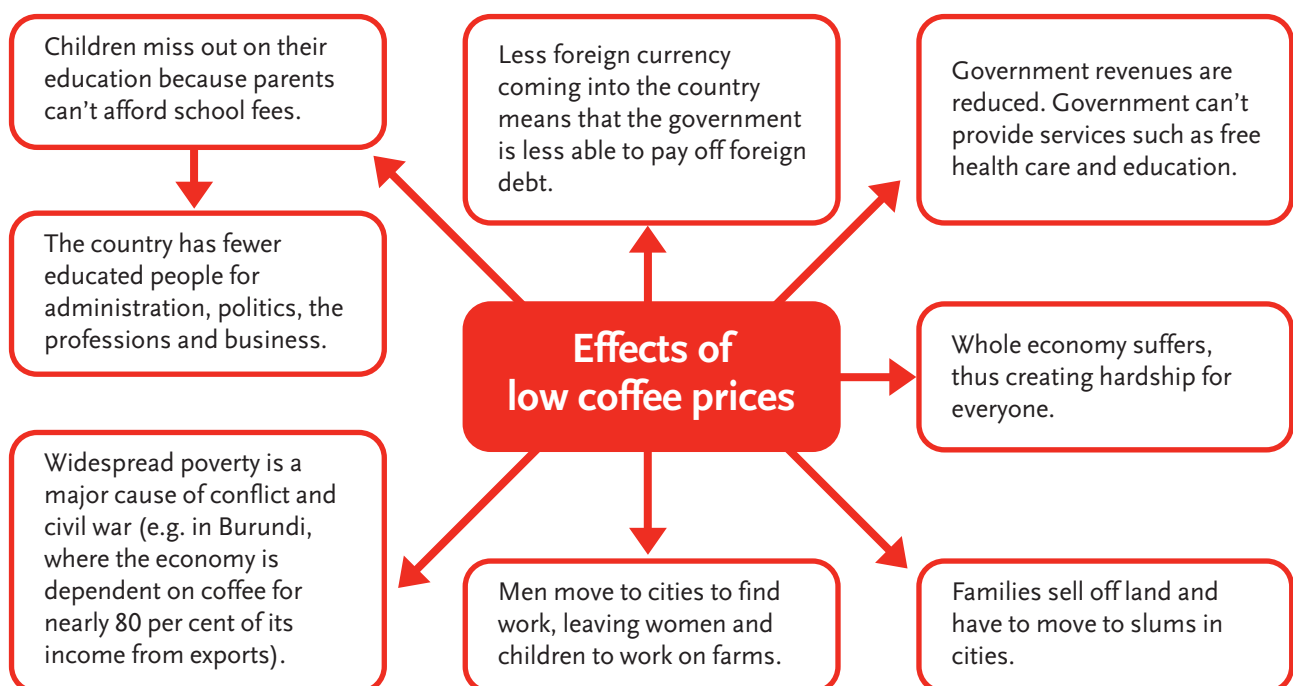
About 25 million people and their families depend on growing coffee for their livelihoods. Most of them used to earn a decent living, but the price they get for their coffee has fallen dramatically, leaving many of them undernourished and desperate. Between 1999 and 2002, the price of coffee fell by 50 per cent to a 30-year low. Taking inflation into account, the 'real' price of coffee is now at just 25 per cent of its level in 1960. This is probably its lowest real price in 100 years.

Salome Kizza, wife of 74-year-old coffee farmer, Peter Kafeluzi, lives with her husband and their extended family in the Mpigi district of Uganda. She has seen her standard of living plummet in recent years. She says:

'We're broke. We're not happy. We're failing in everything. We can't buy essentials. We can't have meat, fish, rice, just sweet potatoes, beans and matooke [green bananas]. At least we can grow food ... We can't send the children to school. We used to buy clothes when we needed them. Now all these clothes we wear were bought long ago.'

The effects of low coffee prices on coffee-exporting countries

Low coffee prices also have long-term and widespread effects on whole communities and countries where coffee is a major export.



Glossary

- **ICA:** In September 2004 the USA announced that it intended to rejoin the International Coffee Organisation, the body behind the International Coffee Agreement. Oxfam welcomes this as an important step towards a global solution to this problem.
- **Futures markets:** A market (stock exchange) where commodities like sugar, cocoa and copper are bought and sold at agreed prices but delivered and paid for later.

Did you know?

50 years ago, 50p–60p of every £1 spent on coffee went to coffee farmers. In 2004, their share was less than 10p.

(*Not on the Label: What really goes into the food on your plate*, Felicity Lawrence, Penguin 2004)

Why is the price of coffee so low?

- Until 1989, coffee trading was regulated by the International Coffee Agreement (ICA), which set export quotas and kept the price of coffee relatively high. This agreement broke down, because of disagreement between members and the withdrawal of the USA, and since then the coffee market has become progressively deregulated. Prices are now set by two big futures markets in London and New York.
- The amount of coffee being produced has increased, while the demand has dropped slightly. Supply now exceeds demand, which pushes the price down, while the absence of a regulatory body means that supply is not checked.

Imbalances in the supply chain

The bargaining power of small-scale farmers is low or non-existent, compared with that of transnational corporations (TNCs). While the TNCs can source their coffee from a variety of countries, and use their buying power to reduce the price, farmers operate in isolated rural areas, with little access to credit, transport or information about prices. They have to accept the price they are offered by the trader who comes to buy their coffee, or by the processor. In effect, some of the poorest and most powerless people are negotiating in an open market with some of the richest and most powerful. The result is that the rich get richer and the poor get poorer.

Commercial heaven for coffee companies

Coffee roasters – the large companies which process and market the coffee – have seen their profits rise to record levels. The big four coffee roasters, Kraft, Nestlé, Procter & Gamble and Sara Lee, make very high profits compared with other food and drink brands – between 17 and 26 per cent of the retail price. As one business analyst reported, '*Nothing else in food and beverages is remotely as good.*'¹ Most food and drink manufacturers make profits of between five and 12 per cent of the retail price.



Geoff Sayer/Oxfam

Topista Neumbe and her son Franco Wetaka, 14, spread freshly washed parchment coffee onto a draining screen. Farmers receive a higher price for 'wet processed' arabica coffee.

¹ Deutsche Bank analyst report: 'Soluble Coffee: A Pot of Gold?', May 2000, quoted in *Mugged: Poverty in your Coffee Cup* (Oxfam International 2002)

What is the solution?

If there is too much coffee on the market, couldn't coffee farmers grow another crop?

This isn't as easy as it sounds. For a start, a coffee bush takes four years to mature, and this is an investment made by the farmer. Many farmers would prefer to stay with coffee and wait until the price rises. In any case, 'diversification' (changing to a different crop) can be difficult or impossible. The farmers often do not have the expertise to produce other crops. Many alternative crops (for example, peanuts, sesame and cotton) are grown by American farmers who receive large subsidies from the US government. This makes it hard for other farmers to compete on price. In fact, it is very tempting for farmers to cultivate drugs instead: coca (for cocaine) thrives in much the same conditions as coffee, and attracts much higher prices. However, growing illegal substances exposes farming communities to the risk of instability and violence from gangs and drug barons.

Glossary

- **Tariff:** A tax placed on an imported good by the importing nation, so that it costs the exporter money to sell it. Tariffs are meant to protect a nation's own producers and manufacturers from competition from cheaper imported goods. However, they are often used to exclude developing countries from the benefits of trade.

Can't developing countries sell something else – some manufactured goods, for example?

Developing countries are caught in what has become known as 'the trade trap', which means that they face quotas or heavy tariffs if they sell certain processed or manufactured goods to richer countries. They are therefore forced to trade in raw materials and agricultural produce, which attract lower prices.

Can't developing countries roast their own coffee?

Ironically, processed coffee does not attract many tariffs, and so developing countries could sell it to richer countries. However, it is too expensive for them to set up roasting facilities. They would need to buy or produce packaging, which might not be available locally. They would need good transport facilities. The approximate cost of setting up a coffee processing plant would be \$20 million. Furthermore, developing countries find it difficult to break into these markets, because the big coffee companies know the tastes of Western consumers and have established relationships with supermarkets and other commercial organisations. They spend millions of pounds marketing their brands.

Couldn't the coffee TNCs build processing plants in developing countries?

They have established most of their processing plants in Europe and America, which is where most of their consumers are. Nestlé has processing plants in a number of developing countries. There are also some independent coffee-processing plants.

Something must be done

There are several reasons why coffee farmers are so poor. One thing is for certain, however: something must be done to address the unfair terms of trade that are causing widespread poverty and deprivation among coffee farmers and their families. See page 15 for details of what you can do.

From seed to sip

Journey of a coffee cherry from the coffee bush to your cup

The coffee bush

Coffee grows in tropical countries, near the equator. Coffee 'cherries', the fruit of the coffee bush, take about ten months to ripen, and are picked when they are red. Each cherry contains two green beans. Coffee is grown mainly by families on small farms. The cherries are usually picked by hand, because they don't all ripen at the same time.



Processing

After picking, the coffee cherries have to be processed, in order to remove the outer husk. Sometimes they are dried in the sun, and sometimes machines are used to dry them. The coffee is then fed through hulling machines in order to remove the dried husk and the 'parchment' (the skin which covers the bean).

If they have the right facilities, coffee farmers process the coffee themselves. Often they sell it to traders or mill owners to be processed.



Sorting, grading and packing for export

The green beans are sorted (by hand or by machine) into different sizes. Beans that are the wrong size or colour, or those that haven't been properly hulled, are removed. The sorted beans are packed into bags and transported to the port.



Shipping

The bags of beans are shipped to the country where they will be roasted and blended to give them a good taste.



Dealers

Dealers buy the beans from the coffee exporters and sell them on to the 'roasters' or coffee companies. These dealers work in stock exchanges in New York and London.



Roasters

These are big coffee companies (like Nestlé and Procter & Gamble) which roast the green beans in order to turn them into coffee we can drink. They blend and package the coffee, advertise it, and sell it to shops, restaurants, cafés and wholesalers.



Supermarkets and shops

Sell coffee to customers for home use.



Coffee shops, restaurants and cafés

Sell coffee to customers to drink

Preparatory activity: From seed to sip

The **Background information** on pages 4–6 provides teachers and group leaders with information they might find useful in the course of

discussions arising during the course of this activity and the main *Coffee Chain Game*.

Aims

- To give pupils an overview of the coffee supply chain, from bush to coffee cup
- To stimulate pupils to begin to question how a supply chain works, and what issues arise from this.

You will need

- A copy of the Coffee quiz on page 9 for each pair of pupils
 - A copy of *From seed to sip* on page 7, cut up, for each group of four pupils
 - At least one extra copy of *From seed to sip*, not cut up, for pupils to look at after they've reconstructed the cut-up sheets. This could be projected as an OHT.
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What to do Allow 40 mins for this activity

1. Ask the pupils whether any of them drink coffee, and if so, why. Is it because they like the taste, or are there other reasons? Brainstorm the reasons why people might drink coffee. These could include the fact that it helps wake them up, the smell, social reasons (companionship, atmosphere of coffee bars). See if you can get pupils to recognise that marketing, advertising and image are powerful factors. Bring in other drinks, such as soft drinks, and get them to think about why some are more popular than others. By the end of this discussion, they should have started thinking about the social meaning of drinks.
2. Tell the pupils that when Europeans had begun in earnest to travel to other continents and set up trade links over three hundred years ago, a new drink, called coffee, was introduced to the UK. It became very fashionable. Give them the coffee quiz, and ask them to do it in pairs. Go through the answers (on page 11) and briefly discuss any issues arising. Is there anything that really surprised them? Why?
3. Divide pupils into groups of four, and give each group a copy of *From seed to sip* cut up. Give them about 5 minutes to put the sections into the right order, then check the order with the whole class. ('Shipping' and 'Dealers' can go the other way round.) Were they surprised there were so many steps involved in getting coffee from a bush in the tropics to a coffee cup in the UK? Why is the process so complicated? Reasons can include:
 - Most coffee is grown by small-scale farmers, and the cherries usually need to be picked by hand.
 - The quality of the coffee suffers if some steps are done by machine (e.g. picking, sorting) or if they are not done promptly (e.g. drying).
 - Coffee comes from lots of different countries.
 - The cherries, then the beans, need many different kinds of processing.
 - Coffee blenders need to mix it carefully to get it to taste good.
4. Ask pupils to have a discussion in their groups. Half the groups should imagine they are coffee farmers and half should imagine they are managers of a big coffee company. They should consider the following questions:
 - Could this process be made more efficient?
 - How can I make the maximum profit?
5. Take feedback after a while. Pupils may have realised that the more 'middlemen' they can cut out, the more profit they can make. The 'farmers' might have realised that if they do their own processing, they can make more profit. The 'coffee company managers' might suggest offering low prices, buying up coffee farms, or putting prices up in the supermarkets. There are no right and wrong answers at this stage. The main thing is that pupils have gained an overview of the whole process and engaged with the idea of the supply chain.

Quiz

How much do you know about coffee? Test yourself with this quiz.

- 1 Can you name three countries where coffee is grown?
- 2 Where does coffee originally come from?
 - a. Ethiopia
 - b. Brazil
 - c. Costa Rica
 - d. Colombia
- 3 Which language does the word 'coffee' come from?
 - a. French
 - b. Amharic (the language of Ethiopia)
 - c. Spanish
 - d. Arabic
- 4 How many people in the world (including families and children) depend on growing coffee to live?
 - a. 5 million
 - b. 25 million
 - c. 50 million
 - d. 100 million
- 5 When did the first coffee house open in the UK?
 - a. 1652
 - b. 1750
 - c. 1893
 - d. 1914
- 6 What effect does drinking a lot of coffee have on people?
 - a. It makes them hungry
 - b. It keeps them awake
 - c. It stops them from putting on weight
 - d. It makes them aggressive
- 7 How much of the world's coffee is consumed in coffee-producing countries?
 - a. 22 per cent
 - b. 36 per cent
 - c. 50 per cent
 - d. 75 per cent
- 8 Which country consumes the most kilograms of coffee per person?
 - a. Italy
 - b. France
 - c. Finland
 - d. USA
- 9 About £37 billion worth of coffee is sold in shops worldwide. How much of this money goes back to developing countries?
 - a. £19 bn
 - b. £11 bn
 - c. £8 bn
 - d. £5 bn
- 10 What did Brazil produce in 2001?
 - a. A new blend of coffee
 - b. A new breed of coffee bush producing twice as many coffee cherries
 - c. A coffee-flavoured soft drink
 - d. A coffee-scented postage stamp



The Coffee Chain Game

This game puts players in the positions of people who are involved in the coffee trade. Who benefits and who loses from trade? Is this fair?

Aims

- To help players to think about what is involved in the different parts of the coffee trade
 - To develop their understanding of world trade
 - To encourage them to think about issues of global justice
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Groupings

This game is designed for five groups of up to six players each (or ten groups of three players each, where the same role card is given to two groups). The groups are **coffee farmers**, **coffee exporters**, **shipping companies**, **roasters**, **retailers**.

Note that this role play is based on a simplified version of the coffee supply chain. In real life, the chain splits into many different parts and can split in different ways, depending on the origin of the coffee and which roaster buys it. Some farmers dry their own coffee, while some sell the cherries to traders; some roasters own coffee plantations.

You will need

- A 100g jar of instant coffee
 - A copy of the grid, **without the figures in the 'Actual proportion' column**, drawn on to a whiteboard or large sheet of paper and displayed so that everyone can see it.
 - One copy of the role-card sheets on pages 12–13
-

Each group will need

- Their role card – a copy for each player.
 - Paper for making notes.
-

What to do

Introduction
10 mins

1. Divide the players into five groups. Explain that each group will take the part of people who are involved in the process that brings coffee from a bush in Uganda to their breakfast table. Give the role cards out, so that the players in each group all have the same one.

Initial discussion
10 mins

2. Ask the group to read their cards. Give the groups five minutes to think about their role. How do they feel about it? What sort of problems do they think they might face? What strengths do they have as a group?
3. Now hold up the jar of coffee. Tell the group that this jar costs £2.35 in the supermarket. Ask the groups to discuss how much of the selling price they should get. (This should not be a discussion about how much the players think people *do* get, but rather how much is due to them for the work that they do.)
4. Ask each group to tell you and the other groups how much they think they should get. Encourage them to justify their claim. Record each amount on the chart in the 'Initial proportion' column.

Negotiation

10 mins

5. Add up the amounts and you'll find that they are likely to total quite a lot more than £2.35! Now ask each group to negotiate its position, until all groups reach a total of £2.35. Why do they feel they should be paid this amount? Is there any group that is generally felt to be getting away with too much? Encourage players to engage with each other – but without violence!
6. When agreement has been reached, record each negotiated amount on the chart in the 'Negotiated proportion' column.
7. Finally, announce the actual proportions at each stage of the production process, by revealing the last column.

	Initial proportion	Negotiated proportion	Actual proportion
Farmers			4p
Exporters			7p
Shippers			14p
Roasters			£1.51
Retailers			59p

Figures calculated in November 2004 based on information from the International Coffee Organisation and other industry sources

Debrief and discussion

10 mins

8. Although it's just a game, *The Coffee Chain Game* is likely to raise powerful feelings. Players need to have the chance to reflect on what has happened and how they feel about it.

While they are still in role, ask each group to describe what happened from their perspective. Why do they think this was the case? Is there anything they can think of that they could do to improve the situation?

9. Now bring the players out of role and broaden the discussion, asking everyone what they feel can be done about unfair trade. Point out that, in real life, the farmers would not be able to negotiate with the shippers, roasters, and retailers. This is part of the problem for the farmers: their bargaining power is very limited, compared with the large transnationals which market and process the coffee. The TNCs have huge resources, plus access to technology, information and transport. Farmers are usually isolated individuals who have to accept the price they are offered.

The main points to draw out of the discussion are:

- Coffee farmers get a very small share of the overall profit, even though they work very hard.
- This is a complex problem, but there are solutions. Farmers should be paid a fair price for their coffee.

For details of what Oxfam proposes, see page 15.

Answers to the coffee quiz

- 1 Coffee is grown in Brazil, Colombia, Vietnam (the three biggest producers), Indonesia, India, Mexico, Guatemala, Uganda, Ethiopia, Peru, Nicaragua, El Salvador, Costa Rica, Jamaica, Dominican Republic, Rwanda, Burundi, Angola, Kenya, Côte d'Ivoire, Thailand and many other countries.
- 2 Coffee is thought to have originated in the highlands of Ethiopia over 1000 years ago.
- 3 The word 'coffee' comes originally from the Turkish *Kahveh* which comes from the Arabic word *Kahwa* (meaning 'that which prevents sleep').
- 4 About 25 million families – 100 million people – depend on coffee to live.
- 5 The first coffee house in the UK opened in 1652 in London.
- 6 Coffee keeps people awake.
- 7 22 per cent of the world's coffee is consumed in the countries that produced it.
- 8 Finns consume the most coffee per person (11.01kg). The UK consumes 2.19 kg per person.
- 9 Of the £37 bn worth of annual coffee sales, developing countries receive only £5 bn. The rest goes to those who market and sell the coffee to us.
- 10 In 2001, Brazil produced a coffee-scented postage stamp.

Role cards



Coffee farmers

You live in a rural part of southern Uganda. You have about two acres of land, which you farm. Your main source of income is growing and selling coffee. You plant the coffee trees, and weed the ground around them so the coffee doesn't have to compete with other plants. The trees require a lot of regular work and attention to keep them properly pruned, so they will bear fruit well. You harvest the coffee 'cherries' by hand when they are red and ripe. You dry them in the sun and sell them to visiting buyers. The money you earn from the coffee is essential to pay for your children to go to secondary school and to pay your family's medical bills. Every fifteen years you need to buy seedlings to replace old trees. The seedlings take four to five years to grow big enough to produce cherries.



Coffee exporters

You visit the farmers to buy their coffee. The farmers are scattered over a wide area, so you have to pay for transport and fuel to go and collect their coffee 'cherries'. You then process them to extract the 'green' beans, pack them in bags, and transport them to the coast, where you sell them to a shipping company. Uganda is landlocked, so you have to pay high rail-freight charges. The market for coffee is unpredictable, and so you sometimes have to pay to have your coffee stored. You also need money to renew and repair the expensive machinery in the factory and to pay skilled people to operate it.

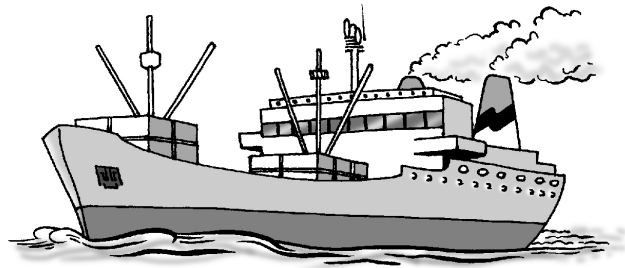


Role cards



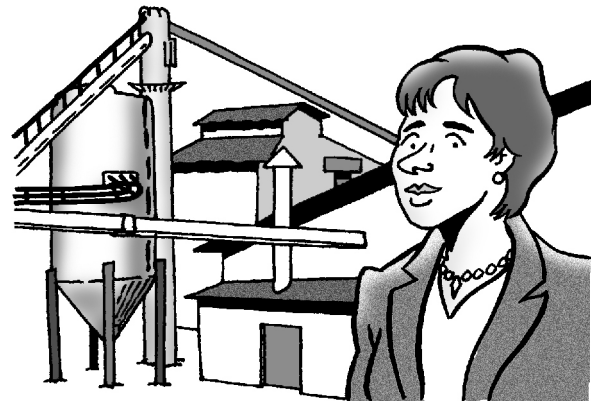
Shipping companies

You buy the bags of green coffee beans from the coffee exporter, load them on to your ship, and transport them to the UK, where you sell them to coffee roasters. You have to pay highly skilled personnel to operate your ships. There are risks involved, and you have to take out insurance for the ships and their cargoes, as well as paying for fuel. You also need to pay fees for using the ports, and taxes for importing coffee.



The Roasters

You buy the green coffee beans from a shipping company and mix the different varieties of bean to get a blend. You roast the beans and process them to make 'instant' coffee, then package it into jars and sell it to retailers. It is a very competitive business, and so you have to spend large amounts of money to advertise your brand to the public and to provide attractive packaging. You constantly need to invest money to improve the taste of your blend and keep ahead of the competition.



The Retailers

You buy the instant coffee from a wholesaler (the roaster), store it until you need it, label it with the price, put it on display, and sell it to the customer. You have to pay high business rates to sell your goods at a busy location. You have to make your shop attractive, which means expensive decoration, and you need to train and pay a large sales force to provide a good service to the customer.



Coffee – Uganda's trade trap

Millions of people in Uganda rely on selling crops, especially coffee, to provide some or all of the cash they need for secondary-school fees, clothes, tools—anything they can't grow for themselves. When the price of coffee is low, they become poorer. Here are the stories of two people in Uganda who have been affected by low coffee prices.

Geoff Sayer/Oxfam



Bruno Selugo, 17, is the grandson of a coffee farmer. He had to drop out of school because his family could no longer afford to pay the fees. In fact, many other families were in the same position, and the number of pupils in the school fell in three years from 500 pupils to 54. Bruno spends his time cultivating vegetables on his mother's farm, but he would rather be at school.

'If I can go to school, I want to study and go into business. I'd like to buy and sell, perhaps have a shop. But I can't be successful, I can't have a better future if I don't go to school. I will just be left here, growing a little food ... I wish the people who use our coffee could give us a better market. We can't survive like this. All I want is to go to school.'

Lakeli Nambafu, 32, has a job cleaning and sorting green coffee beans for a Ugandan coffee exporter. She sits on the warehouse floor, picking through sacks of beans, and removing defective beans, bits of dirt and foreign bodies. She cleans one to two 55kg bags per day, and gets paid around 1000 shillings (31p) per bag. Her take-home pay is 30,000 shillings (£9.41) per month. Lakeli says, *'Women earned more in previous years ... We know the pay has been reduced. They [the managers] say there isn't enough money coming for the coffee. They say the price is too low to pay us more.'*

When a British interviewer showed Lakeli a 227g packet of beans he had brought over from the UK and told her it had cost 6000 shillings (£1.88), she said, *'These beans are too expensive. If these beans are worth so much, we should be paid more for cleaning them ... I should be paid 100,000 shillings (£31.40) a month.'*



Geoff Sayer/Oxfam

Note: Food for an average family would cost about 155,000 shillings (£46.50) per month. This includes two meals per day of maize and beans.

What can we do?

People who want to help coffee farmers to get a better deal can consider one of the options below.

Get informed and spread the word

Distinguishing the reality from the spin is the first step. Once people realise that often, behind the glossy image promoted by the coffee brands, is the reality of the struggling coffee farmer, they can take steps to change this situation.

Write to coffee companies

People can write to coffee companies to find out what they are doing to ensure that coffee farmers are getting a fair deal. They can also keep in touch with campaigns and other organisations which try to hold these companies to account, and find out whether the companies are in fact doing what they say they'll do.

Buy Fair Trade coffee

People can choose how to spend their money, and many choose to spend it on fairly traded products. Fair Trade coffee is now available in all major supermarkets, and in a growing variety of catering establishments. Several major high-street coffee-shop chains sell Fair Trade coffee, albeit priced at a premium. Consumers can encourage this trend by asking for Fair Trade coffee wherever they go. The Fairtrade logo shows that a product has been fairly traded. For more information, see page 16.

A popular way of raising awareness is to set up fair-trade stalls at events such as festivals, school events or street fairs. This will give people a chance to see how good Fair Trade coffee and other Fair Trade products taste.

Become a Fair Trade school

Fair Trade schools source their catering products from companies endorsed by the Fairtrade Foundation. For details, see *Fair Trade School Handbook: A small but useful guide to help you become a Fair Trade school*, Time for Change 2004.

Play The Coffee Chain Game

Finally, you can spread the word by taking this game to youth, church and community meetings. Community groups and clubs may hold evenings and speaker meetings at which it would be appropriate to run this activity. Lots of people are interested in global trade issues, especially when they see there is something they can do to help poor communities to get a fair deal.

What does Oxfam think?

Oxfam believes that urgent action needs to be taken to change the way coffee is traded. Fair trade is a start, and a very important one, but farmers who are not able to sell their coffee to Fair Trade dealers need protection. Oxfam is proposing a Coffee Rescue Plan to be implemented under the auspices of the International Coffee Organisation. This would require the support of governments in producer and consumer countries, as well as that of international organisations. The Coffee Rescue Plan would include the following measures:

- Roaster companies would commit to paying a decent price to farmers.
- Roaster companies would trade only in coffee that meets basic quality standards. This would have the effect of reducing supply and stocks of coffee on the market and thus increasing the price to farmers.
- Producer and consumer country governments would establish mechanisms to correct the imbalance in supply and demand to ensure reasonable prices to producers. Farmers would be adequately represented in such schemes.
- Help with diversification (producing other crops) would be given to poor farmers.

Oxfam hopes that if workable solutions are implemented, they can be applied to other commodities, such as cocoa and bananas.

To find out more about Oxfam's work on coffee and other trade issues, contact campaigning@oxfam.org.uk or visit www.maketradefair.com. See **Further resources on trade** on page 16 for details of Oxfam reports and briefing papers.

Fairtrade coffee

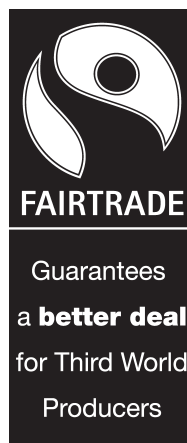
Sales of Fairtrade products (products which bear the logo of the Fairtrade Foundation) have doubled over the past few years. With ever more people understanding that coffee farmers are being exploited, and expressing their opinion through their wallets, coffee companies are having to sit up and take notice. There are now several brands of Fairtrade coffee on the market. The Fairtrade logo shows that they comply with the code of conduct of the Fairtrade Foundation.

The Fairtrade scheme means:

- Farmers are paid a significantly higher price for their coffee than the market rate.
- Prices are fixed on a long-term basis, which allows farmers to predict their future income and so plan ahead.
- Some payment is made in advance, so that farmers do not have to go into debt.
- A premium, earmarked for community development, is paid.

It is clear that Fair Trade has a positive impact on the lives of farmers, their families and communities. Felipe Huaman, a farmer in Peru says, *'Ever since our alliance with Twin and Cafédirect, our prices have started improving, and this has improved living conditions for coffee farmers' families. This is our biggest reward and what we most appreciate.'*

In a recent initiative, Oxfam has teamed up with co-operatives in Honduras, Ethiopia and Indonesia, and with coffee roaster Matthew Algie, to create a chain of Fair Trade coffee bars. The chain, called Progreso, was launched in 2004, and serves only Fairtrade products. Oxfam hopes that this will further increase awareness of the unfair situation faced by coffee farmers, increase the market for Fair Trade coffee and encourage more people to demand that trade be made fair.



This activity was adapted from one used by Leeds Development Education Centre in *Hanging by a Thread*. The first edition of *The Coffee Chain Game* was written and edited by David Dalton, Teresa Garlake and Ian Taylor.

Updated by Isabel Tucker

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Designed by Garth Stewart

Illustrations by Brick

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Further resources on trade

Most of the publications listed below are available from Oxfam's Catalogue for Schools, a copy of which can be obtained from Oxfam (tel: 0300 200 1300; e-mail: education@oxfam.org.uk).

The Chocolate Game: Fair Trade Edition, Leeds DEC 1999

Trade Rules! (for ages 16+) Christian Aid 2002

Looking Behind the Logo: The global supply chain in the sportswear industry, Oxfam 2004

The Computer Game: Explore the working conditions in a Mexican computer factory, CAFOD 2004

The Challenge of Globalisation: A handbook for teachers of 11–16 year olds, Oxfam 2007

The Cost of Coffee, Reading International Solidarity Centre 2004 (for ages 16–18)

Fair Trade School Handbook: A small but useful guide to help you become a Fair Trade school, Time for Change 2004

'The Coffee Trade' from Global Eye, www.globaleye.org.uk/secondary_autumn04/eyeon/coffeetrade.html

Resources about coffee are available on Just Business www.jusbiz.org/resourcesonline

'Trading Trainers' simulation game available from www.cafod.org.uk/secondary

www.oxfam.org.uk/education Oxfam's website for teachers.

'Milking It: Small farmers and international trade. A global citizenship resource' www.oxfam.org.uk/education/resources/milkingit

www.maketrade4fair.com Oxfam's trade campaign website. Features several pages on coffee.

www.fairtrade.org.uk The Fairtrade Foundation.

Mugged: Poverty in your Coffee Cup, Oxfam International, 2002

Spilling the Beans on the Coffee Trade, Fairtrade Foundation 2002

No Nonsense Guide to Fair Trade, David Ransom, New Internationalist 2006

Not on the Label: What really goes into the food on your plate, Felicity Lawrence, Penguin Books 2004

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