Cepicafé: Empowering Small-scale Coffee Producers in Piura, Peru?

Participation in a Fairtrade/organic producer organisation

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Master's Thesis

MPhil in Development Studies

NTNU

Trondheim, May 2008
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Picture on the front page: “Producer and engineer”. All photos are taken in Piura, Peru by the author of this thesis.
Dedication

A todos los y las pequeños/as productores de Piura: ¡Que sigan adelante!

I want to dedicate this work to all small-scale producers who struggle on a daily basis to gain a living. I also want to dedicate it to all those people who believe in change and justice, who work tirelessly in different ways to bring it about, and whose lives are guided by their strong sense of ethics and humanity.
Abstract

This thesis looks at Cepicafé, a Fairtrade/organic coffee producer organisation in Piura, Peru. It discusses the contributions made to empowerment of the members, and identifies some of the obstacles to participation and empowerment, both within the organisation and outside.

Small-scale coffee producers often find themselves in a vulnerable and disempowered position in relation to the world market. The Fairtrade and organic market initiatives focus on improving trade relations and demanding social, economic and environmental standards in production. They only work with organised producers, hence my subject for the analysis is a producer organisation. Cepicafé's aim is sustainable development, improving quality of life and eradication poverty among small-scale producers in Piura. This will involve a process of empowerment, as poverty is also considered to be powerlessness and voicelessness.

The theoretical, conceptual and analytical foundation for this thesis is concerned with empowerment through participation and collective action. Empowerment is seen to be a process which involves enabling social, political and psychological power. Power is considered to be a fluid concept and actors are seen to hold varying degrees of these powers, relative to the time, place and relations they find themselves in. The ultimate goal is collective empowerment. This involves participation aimed at achieving radical change in the producers' circumstances. Hence, there is a need to include political claims and confront forces outside of the organisation. Cepicafé's role in a multi-levelled, global/local network presents a great potential for this.

The empirical data aims at showing the research participants' multiple realities. Knowledge is produced through interviews, observation and informal conversations with coffee producers and staff in Cepicafé during a two months long field work in Piura, Peru in 2007.

The analysis looks at firstly the services provided by Cepicafé as a way of strengthening social power. Commercialisation, credit support, and technical assistance and knowledge transfers are the main functional areas through with support is given. However, as the producers in the organisation are a heterogeneous group with reference to agency and socio-economic status, both perceived and actual benefits vary. Second, information flows and knowledge transfers related to decision-making as well as the fluidity of power relations amongst actors is put
under scrutiny in order to understand the producers' access to participation and political power, which is an important step towards empowerment. The mentioned heterogeneity, a lack of understanding of issues related to Fairtrade and the market, as well as existing power relations between the actors at the local level are seen to affect the ability to participate in decision-making. The organisation seems also to mainly focus on service provision, and does not really engage in political advocacy. There is a need to consolidate the efforts among the different levels in the multi-levelled network that Cepicafé is a part of, in order to also include the producers in this struggle.
Acknowledgements

The road towards this final thesis has been a long and winding one, and the thesis is not a product of my sole efforts. There are many people who deserve to be mentioned and whom I want to thank for making this work possible.

I would like to give my warmest thanks to my supervisor, Cathrine Brun, for her kind support, understanding and indispensable guidance throughout this process and, for enduring all those unfinished, chaotic drafts.

My time spent in the field would never have yielded the results it did without help and support from the many wonderful people I met who deserve a heartfelt thank you:
To Juan Carlos Torres Merino for receiving me and always helping without hesitation. To the technical assistants, to José Rojas, Javier Domínguez and everyone in Cepicafé for receiving me and helping me. To the producers who shared their lives, experiences and thoughts. My work would have been impossible without their contributions. To my assistant, Juan for his kind help. To the families who received me in their homes and took care of me. To Pidecafé for providing me with information, to the staff at Hostal Diplomatic and to my friends.

I have also had invaluable help from people and institutions during the preparatory and final phases of my work. I am extremely grateful to:
The PRODEC fund for financial support, and to the staff at NTNU.
Siren Sælemyr and Tone Marie Ektvedt for all practical advice before my stay in Piura.
Anna Milford for sharing her inspiring work with me.
Jennifer Atkins, James Mellor and Grethe Øyna for their kind help with proof reading parts of my thesis.

And last, but not least, many thanks to my wonderful family and friends for their loving support.
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List of abbreviations and acronyms

Appagrop: Asociación de Pequeños Productores Agropecuarios
(Association for small-scale agriculture and livestock holders)

APRA: Partido Aprista Peruano (Peruvian Aprista Party)

Cepicafé: Central Piurana de Cafetaleros (Piuran Central for coffee producers)

FLO: Fairtrade Labelling Organisation

Foncodes: Fondo Nacional de Cooperacion para el Desarrollo en Peru
(Peruvian National Fund for Development Cooperation)

ICA: International Coffee Agreement

IFOAM: International Federation of Organic Agriculture Movements

JUNTOS: Programa Nacional de Apoyo Directo a los más Pobres
(National Program of Direct Support to the Poorest)

NGO: Non-governmental organisation

Pidecafé: Programa Integral para el Desarrollo del Café
(Program for the Development of Coffee)

PRA: Participatory Rural Appraisal

PRSP: Poverty Reduction Strategy Papers

Quintal: Standard measurement used for the output of coffee in Cepicafé
1 quintal equals 46 kilo

Soles: Peruvian Nuevo Sol, the Peruvian currency. 1 nuevo sol equals US$ 0.365
as of April 22, 2008

UN: United Nations

UNDP: United Nations Development Programme
1 Introduction

Globalisation has increased and speeded up the interconnectedness between localities. Through technological advances we are now more than ever in a situation in which we can get insight into places and spaces far away, and we can easier see the consequences of qualitative and quantitative changes in global interaction. Some claim that unfair trade relations have marginalised certain producer groups, and that they are found in a situation of exploitation and unsustainable production (Almås & Lawrence, 2003; Schirato & Webb, 2003). Coffee production is no exception. A large share of the world's coffee producers are small-scale farmers who live on the margin of survival. The highly volatile nature of the coffee market, which is partly a result of the peculiar characteristics of coffee production, puts them in an especially vulnerable position. In addition they find themselves in a disempowered role in the global commodity chain (Ponte, 2002). Many have little ability to impact on their circumstances, due to lack of knowledge and resources that can provide them with enough power to enable positive changes in their livelihoods and lives (Eshuis & Harmsen, 2003).

As the world has become smaller, global responsibility has also moved up on the agenda. Today, taking ethical considerations is a prevalent feature of the conscious Northern consumer. Alternative market initiatives have sprung up, and organic and Fairtrade products are increasingly visible in the stocking shelves. Organic products signal environmental awareness, sustainable production routines and health. Fairtrade seeks to create closer ties between consumers and producers in order to create fairer and more stable trade relations, as well as promoting socially and environmentally responsible production practices. Fairtrade's most powerful marketing technique is the narratives from producers themselves. By showing the disadvantaged position that small-scale farmers are in, and the improvements they experience from selling their coffee to the Fairtrade market, they hope to make the consumers and importers become more responsible. Both these initiatives seek to create a moral economy, concerned with ethics and not only based on competition and profit (Goodman, 2004).
Related to such ethical initiatives, we as consumers are always on the lookout for the results that confirm that our conscious choices are indeed helping out, so that we can feel even better about making them. On the other hand, quite a few are eager to dismiss these ethical initiatives all together. For this reason, literature aiming at assessing the success or failure of ethical trade initiatives has mushroomed. This thesis can be read as another contribution to this debate, albeit attempting to take a somewhat different approach than has perhaps often been the case: I aim at showing how factors that affect the outcomes also take place on the local level and that power relations among actors at this level are important to consider.

There are many buzzwords describing the aims and results of alternative trade initiatives: Poverty reduction, empowerment and participation are a few. In the world of development research and practice, institutions are seen as the most efficient way to bring about change and empower the marginalised (Cleaver, 2001). The alternative market initiatives are also working in accordance with this point of view as they require that producers must be organised in producer groups to sell to these markets. This, I believe, is an important aspect to emphasise, but there has not been done a lot of research on the implications of this. Hence, I believe it is crucial to scrutinise the practices related to ethical trade on a local level in order to understand how it impacts on the lives and livelihoods of producers. I have chosen to focus my study on the contributions made by a specific Fairtrade/organic producer organisation. Cepicafé (Central Piurana de Cafetaleros), is an umbrella organisation in Piura, Peru that provides services to small-scale producers in order for them to improve production and gain access to the alternative export markets in order to improve their living conditions.

1.1 Research objective

Ethical trade initiatives are often mentioned along with producer empowerment. So the main aim of this thesis is to understand how far a group of small-scale coffee producers can be empowered through participating in the Fairtrade/organic producer organisation, Cepicafé. In the pursuit of fulfilling this task, I will focus on two research questions:
• How is Cepicafé contributing to the empowerment of small-scale coffee producers in Piura?
• What might be the obstacles within and outside of Cepicafé that impede empowerment through participation?

1.2 Significance of the study
Cepicafé is just one of many producer organisations worldwide, and although the findings are specific to the farmers in this organisation, I believe that the study can direct attention to some general concerns, which could be further investigated and taken into consideration by the actors involved in the provision of support to small-scale producers.

One of these general concerns relate to the impact of existing power relations among actors in the local context where the producer organisations are found. These development initiatives are not operating in a power vacuum and outcomes are not necessarily only linked to the services provided. If empowerment is the goal, then access to participation in decision-making is also important, as I will argue throughout this thesis. Mosse (1995) claims that it is crucial to understand local structures and relationships in order to be able to set the right conditions for effective participation.

Information and knowledge transfers are also a pivotal element of participation, and must be scrutinised to gain insight into the producers' understanding of, and commitments to ethical trade networks. This especially relates to Fairtrade, as it is a more abstract concept for local producers than organic coffee production.

Although the micro-politics of power should be put under scrutiny, I also believe that the local actors need to look beyond the occurrences within the organisation, and take into consideration the impact of external forces on the disempowered roles of the producers. By being part of a global/local network as the alternative markets provide, it can be argued that this is already the case, but the claims of advocacy and change made by for example the Fairtrade movement, are not really infiltrating the local level. Thus, there is a need to consolidate efforts of advocacy from the global to the local level to make use of the
potential that lies in being part of a multi-levelled network. As it is now, the local actors might find themselves in a pretext for contentment, where the sole purpose of the organisation is service provision and economic benefits, not a radical change in the producers' general position. Goodman (2004) has called for investigations concerning power within the global/local network and the flows of knowledge down to the producers. My research has been limited in that it mostly provides insight into the power relations and knowledge transfers at the local level, but I believe it is a start.

I want my research to contribute to a change and throughout the research process I have been keeping Smith's (2001, p.27) question in mind: “if researchers should not be changing the world, what is the point of engaging with it at all?” Hence, this thesis is an attempt to invite the actors involved in ethical trade initiatives to put established practices under scrutiny in order to improve what has been started, as well as for researchers to look further into issues of power and knowledge in these networks, so that these movements can truly incorporate the actors at the local level as well.

1.3 Structure of thesis

In order to meet my objective and address my research questions, I am presenting my thesis in 7 chapters.

In Chapter 2, I will provide background information concerning the coffee market, the region and the organisation, Cepicafé, to understand the context in which the organisation is operating. In addition I present the organisational structure of Cepicafé. Chapter 3 deals with the theoretical, conceptual and analytical frameworks for the thesis, in which I discuss concepts such as empowerment, power, participation, the actor-oriented approach to development, group formations and multi-levelled networks. In Chapter 4 I present my methodological foundations for the study in addition to describing and evaluating my work in the field.

Then I start the analysis in Chapter 5, which deals with the services provided by Cepicafé and as such examines how the organisation contributes to the strengthening of the producers' social power. Chapter 6 moves on to assessing information and knowledge
transfers related to decision-making, in addition to power relations among actors within the organisation. The aim is to give a better understanding of the producers' access to participation and political power within Cepicafé. In the same chapter I further evaluate the role of Cepicafé as a collective actor in a multi-levelled network against external political and economic barriers, such as the state and the coffee market. In Chapter 7, I ask how far participation in Cepicafé is leading to empowerment for small-scale coffee producers. To answer, I provide a sum up and conclusions to the two research questions I have put forward in the current chapter. I will round up the discussion with recommendations for further investigations concerning this topic.
2 Putting Cepicafé into context

Coffee is a popular drink. Around 250 million producers are involved in its production, in order to please those 40 per cent of the world's population who like to enjoy their cup of coffee on a regular basis. In fact, as much as 2.25 million cups are consumed every day and the most eager coffee consumers are found in the Scandinavian countries (MacMillan, 2006; Ponte, 2002). On the other side of the production chain, we find that Colombia, Brazil and Vietnam are the three top producers in the world, and coffee is a significant export income for countries in Sub Saharan Africa and Latin America (Ponte, 2002; MacMillan, 2006). In Peru, 95 per cent of the coffee produced is exported and the majority of the around 200.000 coffee producers in the country are small-scale farmers with less than two hectares of land (Crabtree, 2002a).

The current chapter will provide a background and context for the coffee producer organisation, Cepicafé. I will present the specific characteristics of the global coffee market, in order to understand why many small scale farmers are put in a vulnerable position. Consequently, I will introduce two alternative coffee markets – organic and Fairtrade – which focus on improving the producers' situation. Then, I will provide some contextual information about Peru's recent economic and political history, as it is relevant for understanding the context in which the producer organisation is operating. I will also look into the concept of poverty and place the Piuran farmers in this frame of reference. At last, I will introduce the umbrella organisation, Cepicafé, which provides services to increase the living standards of small-scale farmers in Piura, through focussing on exporting organic and Fairtrade coffees.

2.1 The coffee market and the situation of small-scale farmers

The world market for coffee presents a number of challenges as it is characterised by high volatility. Due to the characteristics of coffee production and the free market principles that dictate the international market, coffee prices are especially prone to market fluctuations. The reason is that there is low price elasticities of supply and demand (Ponte, 2002). The
nature of coffee production is such that it takes four to five years for an arabica coffee plant to mature and reach full production capacity. In addition, trees are vulnerable to temperature changes, rainfall, diseases, frosts and drought (ibid.). Hence, in periods there might be a shortage of supply, which leads to increased prices. An example is after the frost in Brazil in 1975, when market prices a few years later were exceptionally high (figure 2.1). Such a situation works as an incentive for farmers to plant more trees, but within few years, the time comes when all those trees are mature, and this results in overproduction and consequently prices plunge. Exacerbating the problem is the fact that the down period normally lasts longer than the period when there was a high demand. Another reason for prices to plummet due to chronic oversupply, is the developments in production procedures which include technical innovations (ibid.). As we can see, then, coffee prices are highly unstable (figure 2.1).

Historically, there have been attempts to try to control such substantial price fluctuations, for example through the international coffee agreement (ICA), which – with relative success – stabilised coffee prices on the global market. The ICA was signed in 1962, but it was dismantled in 1989 for several reasons (Ponte, 2002). Following the breakdown of this agreement, the power structures in the production chain have shifted and consumer

1 There are two main types of coffee plants; the arabica and the robusta. The arabica is more difficult to grow than the robusta as it requires better conditions and production techniques and takes longer to mature, however, it is known for its superior flavour and is therefore the preferred kind, especially for gourmet coffees.

2 Source: FAO (Food and Agricultural Organisation of the UN)
http://www.fao.org/DOCREP/006/Y4343E/y4343e05.htm
countries now have even more power than the producers and local traders.

As a result, prices have become much lower and are even more volatile (Ponte, 2002). A few roasting companies have also gained more control, with Nestle and Philip Morris controlling 49 per cent of the world market share. The share of income for producers has dropped further due to oversupply and low price (ibid.) As a result of these developments in the coffee production chain, many producers are found in an extremely vulnerable position, and especially the many small-scale producers.

Around 70 per-cent of coffee producers worldwide are small-scale farmers with less than 10 hectares of land. These are especially exposed when market prices collapse, such as during the 2001-2002 coffee crisis when the prices were at their lowest in 30 years and world production exceeded 110 million bags (Eshuis & Harmsen, 2003; Milford, 2004, citing Fitter and Kaplinsky, 2001; Ponte, 2002). Small-scale coffee producers are, furthermore, often isolated without knowledge of the prices and quality requirements on the market. In addition, they lack transportation opportunities and they have few or no resources to improve standards of production.

This result in their disempowered roles, I will argue, in which they need to rely on the middlemen who buy their coffee, often at a price lower than the cost of production. Many farmers find themselves in a desperate position in need of urgent income and with less knowledge and power in the negotiation process, and it is common that they end up being exploited (Eshuis & Harmsen, 2003). Hence, they find themselves in a vicious circle, with no or little influence, very little capital, and few means to change their circumstances. Their situation illustrates what Narayan (2000) notes; poverty is powerlessness and voicelessness.

Due to these circumstances described above we can see that there is a growing concern and reaction raised against free market principles (MacMillan, 2006). One of these is the upsurge of alternative coffee markets, which seek to sell coffee that is different, with a focus on ethical concerns, where the production process incorporates environmental and social aspects and the conditions of trade are made more favourable for the producers (Calo & Wise, 2005). In the next section I will look at two such initiatives – the organic and Fairtrade labelling systems.
2.2 The specialty and alternative coffees

There has been an emergence of new consumption patterns related to coffee. Traditional coffee was characterised by poor quality, but the trends changed and roasters focused more on high quality blends as consumers became more aware of the origins of coffee and had higher demands. Specialty coffee consumption, then, has been growing rapidly, and Ponte (2002) suggests that the market situation actually seems to be better for speciality coffees than for traditional coffee, as they are operating in a niche market. Consequently, producer countries focus more on this market and Peru for example, is increasingly important in specialty coffees production (Crabtree, 2002a).

So, coffee is fashion, and the prices are increasing in coffee bars around the world. But do the producers earn more? Ponte (2002) is not too sure. However, the trend is not only about the higher quality of the product, and he points to the fact that there is also a growing concern among consumers for the situation of the producers and the ethical standards of production. Organic and Fairtrade coffees are alternatives that provide a premium to the farmer and focus on improving production (Crabtree, 2002a).

2.2.1 Fairtrade

As mentioned, there is an increasing recognition that the producers in the coffee chain need support. However, the concept of fair trade started already around 60 years ago with the work of church organisations and other solidarity groups, and has now developed into a large global network of organisations through the labelling system (Bacon, 2005). Fairtrade is the commonly used term for the international Fairtrade labelling organisations (FLO)\(^3\). The Fairtrade mark is a certification mark that guarantees a better deal for third world producers, and is today applied to foods such as sugar, bananas, wine, chocolate and coffee, but also to products such as cotton, footballs and roses. However, coffee is by far the largest selling product within the Fairtrade system. Fairtrade market shares have increased rapidly since the early 1990s and Peru is one of the major exporters of Fairtrade labelled coffee (Raynolds, 2002).

Fairtrade aims at alleviating poverty and creating sustainable development for small-scale

\(3\) When I speak of Fairtrade in this paper, I am referring to markets and products under the FLO certification system and not any kind of product sold on the market which claims to be fair trade, as there are many such initiatives globally.
producers by improving working conditions and returns (Eshuis & Harmsen, 2003; Fairtrade Foundation, n.d.b). The overall vision of the Fairtrade Foundation (the UK branch of Fairtrade importers) is to transform the world market trading structures so that the poor and marginalised can improve their living conditions and fulfil their potential. The expressed ways to achieve their goal, is to focus both on creating alternative trade relations, but also by focusing on advocacy and “bringing together producers and consumers in a citizens’ movement for change” (Fairtrade Foundation, n.d.a).

A product that has the Fairtrade mark signals several aspects: The producers get a minimum price\(^4\) for their products, and they receive a premium on top of this to be used for social, economic or environmental development projects (which should be agreed upon within the producer organisation). Furthermore, the producers are in direct contact with the importers through long-term contracts, and moreover, the producers must follow certain social and environmental standards in production (Eshuis & Harmsen, 2003; Fairtrade Foundation, n.d.d).

Hence, there are certain demands that both the producers and the importers must follow to be allowed into the system, and the FLO conducts controls with producer organisations to make sure the demands are complied with. For the producers, examples of social standards might be that they are required to send their children to primary school and there are also requirements to improve gender equality (Raynolds, 2002). One aspect that many are not aware of is that Fairtrade only works with producers through democratic organisations, which requires that the producers participate in decision-making concerning the use of the Fairtrade premium, amongst other issues.

2.2.2 Organic coffee

Organic certification schemes guarantee to the consumers that the product they are buying is of a certain quality, and has been produced according to strict standards related to sustainable production and environmentally friendly procedures. There are several different organic importers which follow the specific country regulations for organic production, but also either EU or US standards. In addition all importers comply with the normative

\(^{4}\)The minimum price is set to a level which ensures that production costs are covered, but it can be negotiated upwards. However, if market prices are higher than the minimum price, then the Fairtrade price will be set to 0.5 cents above market price (Fairtrade Foundation, n.d.c)
foundations for organic production as set forward by the International Federation of Organic Agriculture Movements (IFOAM)\(^5\). In Cepicafé, the organic certification follows the criteria of the European union through the organic importers, Biolatina and Naturland (Cepicafé, n.d.; Pidecafé, 2001).

To be a certified organic producer in Piura, the farmer must be a member of an association for small-scale coffee producers, such as Cepicafé. Although a producer must have been a member for at least one year before he or she can become certified as organic, it will take three years of not having used chemicals before one is eligible for certification. This means in practice that, for a farmer who enters Cepicafé, it is necessary to be a member for 3 years before entering the scheme, even though he or she has never used these kinds of fertilisers or pesticides before. This is commonly the case for small-scale producers in Piura, seeing they cannot afford such products (Pidecafé, 2001).

To be certified as an organic coffee producer requires not only the abandonment of synthetic fertilisers and pesticides, but also a number of other activities aimed at improving the production system; there are over 20 activities that must be followed in the case of Cepicafé. The producers are for example required to plant a certain number of trees every year – trees are important as they serve both as shadow trees and as firewood. The producers must also clear the terrain, plant new coffee trees, prepare organic manure and take measures to control plagues (Jorge, 13/7; Rojas, 15/8)\(^6\). There are annual controls done by the importers, and if the producers have not fully complied with procedures they will be sanctioned by losing their certificate for a period (Jorge, 01/08).

For those who are confirmed as organic producers, the premium they will receive adds around US$10 per quintal\(^7\). Besides an increased price, one of the major benefits for a coffee producer are perhaps the improvements in production, which have great potential to contribute to a more sustainable production, which in turn can lead to larger crop outputs (Pidecafé, 2001; Miguel, 12/7).

As seen then, there are alternatives that might bring more favourable and stable conditions

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\(^5\)“The principle of health, the ecological principle, the principle of fairness and the principle of care” are the four normative IFOAM principles for organic production (IFOAM, n.d., p.1)

\(^6\) These references are interviews conducted in the field. A list of research participants can be found in Appendix 1.

\(^7\) One quintal equals 46 kilos (Pidecafé, 2001).
for a small-scale farmer. They do however, require an engagement in a producer association or cooperative, as many of the technical aspects are out of reach for an individual farmer with little knowledge, capital and land.

Before I turn to the presentation of Cepicafé, I will provide some contextual information about Peru and the region where I conducted my study in order to shed some light on the historical, political and socio-economic circumstances in which Cepicafé operates.

2.3 Peru

Peru is situated on the west coast of South America, and has over 27 million inhabitants. The country has a GDP of US$ 2 490. 49 per cent of the population is said to live under the national poverty line and there are large socio-economic inequalities (Watkins, 2006). The country has a turbulent political and economic history involving guerilla warfare, political violence, hyperinflation and debt crises.

From 1968 to 1980 Peru was governed by a military dictatorship, and later, a central feature of political instability in Peru was related to terrorism and the subsequent military counter attacks (Poole & Rénique, 1992; Crabtree, 2002b). Sendero Luminoso (the Shining Path), a Maoist guerilla movement fighting against the government, killed and tortured thousands of people during the 1980s and early 1990s, and the situation was especially difficult for the ones who lived in rural areas, as people who did not join the struggle were considered to be against the group. On the other side was the military – who later have been accused of committing numerous human rights abuses – and many peasants found themselves in the crossfire between Sendero Luminoso and the military (Crabtree, 2002b).

When Alberto Fujimori was elected president in 1990, he swore to end terrorism, and during his quest – both before and after the capturing of Sendero's leader, Abimael Guzmán, in 1992 – thousands of innocent people, especially farmers, were arrested (Comisión de la Verdad y Reconciliación, 2002; Poole & Rénique, 1992). It is claimed that more than 8000 farmers were falsely accused of terrorist activities (Cronología Andina, January 7, 1998).

It was not only political turmoil that shook the country during the years after the return to democracy, but the economy was also faltering. The year Fujimori became president Peru
experienced deep economic recession and hyperinflation. This led to an economic liberalisation process that became known as the Fujishock. At first it involved adjusting domestic prices, devaluing the currency and increasing interest rates, and then these initial measures were followed by further structural adjustment aimed at liberalising the economy, reducing trade barriers and privatising state assets (Crabtree, 2002b; IDB, 2002; Poole & Rénique, 1992). As a result, the government abandoned the agricultural sector and rural development, and focused on urban areas instead, which, it is argued, led to a decline in agricultural performance and consequently, a deteriorating life situation for the rural population (Plaza & Stromquist, 2006).

Liberalisation, in addition to the political instability caused by Sendero Luminoso and the war against them further affected rural democracy, as social movements and local institutions were impaired (Crabtree, 2002b). 'The 'rural' voice' was weakened even further under Fujimori as a result of the government's policies, which were applied to deliberately prevent any decentralisation of power. The relationship between the central government and local authorities were characterised by clientelistic relations of power, involving the disbursements of poverty relief support, which undermined any protest from the local authorities. Furthermore, the government agency, Foncodes, which was established to reduce poverty, reinforced central government control and discouraged participation from local groups (Crabtree, 2002b; Crabtree, 2007).

### 2.4 Coffee producers in Piura

Peru has a noticeable amount of small-scale land owners (typically holding between five to 20 hectares), but the number of holders with one hectares of land or less has increased due to the atomisation of land plots during the 1980s and 1990s (Crabtree, 2002b). In the mountains of Piura – the department found in the North of Peru close to the border of Ecuador – there are around 10,000 small-scale coffee producers. Farmers have been growing coffee for over a hundred years and coffee production is of great importance to them as it makes for 90 per cent of their income (Eshuis & Harmsen, 2003; Pidecafé, 2001).

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8 Clientelistic relationships are typical for Latin American societies. They are characterised by unequal power relations between social groups. The dominant group maintains these relations through providing services, favours etc. (Hytrek, 2002).

9 Foncodes is the Peruvian national fund for development cooperation.
The Appagrops belonging to Cepicafé are found in the Ayabaca, Morropón and Huancabamba provinces. My field work was mainly conducted with members of Appagrops in Huancabamba.

Source: http://www.munipiura.gob.pe/turismo/gif/mapa_piura.gif

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**Figure 2.2: Map of the department, Piura**

The Appagrops belonging to Cepicafé are found in the Ayabaca, Morropón and Huancabamba provinces. My field work was mainly conducted with members of Appagrops in Huancabamba.
However, the output is not very large (many farmers produce between five and seven quintales each year and some as little as three, as I found during my study), while the potential is much higher. Many farmers struggle with several challenges related to environmental and climatic problems and they strive to get coffee crops to yield a substantial result (Pidecafé, 2001).

The situation is unstable for many coffee producers, especially for the ones with the smallest parcel and production sizes. As mentioned above, not only are the market conditions contributing to a difficult and unstable life situation for coffee producers, but in the Piura region, finding jobs in order to diversify their income outside of the agricultural sector is difficult, if not impossible for some. Other than selling agricultural products, most farmers work periodically on other farms as unskilled labourers (Fort, 2001). Some find construction work, but not much (Miguel, 12/7). Many farmers in this region are illiterate, and this further reduces the chances of finding work outside of the agricultural sector. The total of illiterate people in Huancabamba was 35.9 per cent in 2001, according to a study conducted by Care Peru (2001).

2.4.1 Poverty in Piura
Today, the aim of most development agents, ranging from large multilateral organisations such as the UN, to local non-governmental organisations (NGOs), is concerned with poverty reduction. Poverty has been defined in numerous ways and has often been measured only in terms of income. Monetary poverty lines – both global and national – have been used to draw a distinction between the poor and the non-poor. However, with Sen's capabilities approach, non-monetary indications of poverty were included, and subsequently the UNDPs Human Poverty Index, has taken into account “longevity, knowledge and a decent standard of living” as measures of poverty, indicating that there is more to the situation than just a lack of money (Laderchi, Saith & Stewart, 2003, citing, UNDP, 1997, p.18). Narayan (2000, n.p.) for example, emphasises the view of the poor themselves when describing their situation: “When poor people speak about well-being, they speak about the material, social, physical, psychological and spiritual dimensions, in addition to security and the freedom of choice and action”. The World Bank has also included 'opportunity, empowerment and security' as aspects of poverty evaluation in their World Development
Report i 2000/1 (Stewart & Wang, 2003, p.16) and it has become even more accepted that definitions of poverty need to include the poor's own perspectives. Consequently, it is also agreed to a large extent, that definitions of poverty are context-specific (Laderchi et al., 2003). Piuran farmers are considered to live in extreme poverty, if we use global measures of poverty, however, the figures change when asking the rural population themselves to define who is poor and not (Care Peru, 2001).

In the district where the majority of my research participants come from, over 70 per cent live in rural areas, and a large share work in agriculture (Care, Peru, 2001). A study conducted by Care in 2001, which analyses the poverty level in Huancabamba, the province where I conducted most of my research (figure 2.2), claims that 87 per cent of the population can be characterised as living in extreme poverty according to global standards\(^{11}\). Their study further shows that 55.6 per cent are lacking two or more basic needs, over 80 per cent do not possess their own water source, and just over half of the population have no kind of sanitation system on their property. Furthermore, only 1.1 per cent of the population are said to have electricity in their homes (Care Peru, 2001, pp. 18, 22).

However, Care has also looked into the local population's own perceptions of poverty in Huancabamba, and from this information it becomes clear that much fewer inhabitants are considered to be very poor. Care has divided the population into four categories, the well-off, the medium, the poor and the very poor, and the majority of the population is seen to find themselves in the 'medium' category. According to the study, the local population is evaluating poverty based on assets such as land, animals, houses and also education levels. Hence, the well-off are generally those who possess over ten hectares of land, they have cattle, vehicles and animals to carry loads, and their roofs are made of tiles or zinc. Further, their children often have the possibility to attend higher education. The medium families have one to two hectares of land, they have some cows or sheep and smaller animals, and their houses have tiled roofs. Also, they generally have completed primary education. The poor do not own land but have a farm yard and hold some smaller animals, while the very poor do not own land nor space enough to hold animals and they work as unskilled labourers earning very little (Care Peru, 2001).

\(^{11}\) Here characterised as not having enough income to acquire food which will satisfy minimum nutrition levels (Care Peru, 2001).
From this categorisation, it can be derived that the coffee producers in the area (at least the ones I have met) are a heterogeneous group, who can be found in the top three categories. Some have several houses, large parcels (around 10 hectares) and a large stock of cattle, while others only have smaller animals and less than a hectare of land.

Even though I met a heterogeneous group of producers, most of whom were now organised in Cepicafé, I believe that the earlier described broader focus of poverty is useful to understand the general situation of small-scale coffee producers in Piura. They find themselves in a vulnerable position in relation to the world market prices and due to the unstable nature of coffee production. They are at the lower end of most relationships of power, whether it is between the consumer countries and the producer countries or other places along the coffee production chain. All of these dimensions contribute to many coffee producers having limited power in deciding the course of their own lives. Narayan (2000) claims that escaping poverty is also about gaining power to control one's own situation, to feel better and to be heard. Escaping poverty then, must involve some degree of empowerment, which will be discussed in the next Chapter. One way of gaining more power as a coffee producer, can be through joining a producer organisation, such as Cepicafé.

2.5 The Producer Organisation, Cepicafé

Peru has a long history of co-operativism, but with the liberalisation process mentioned earlier many co-operatives were dismantled, and furthermore, a great many went under due to the withdrawal of state credit support through the closing of the agrarian bank in 1995 (Crabtree, 2002b). Today through, thousands of coffee farmers in Piura have chosen to 'group up' again and become members of Cepicafé, a Peruvian umbrella organisation that provides different services to small-scale agricultural and livestock farmers (Cepicafé, 2007b).

Cepicafé functions both as a members organisation and as what we can call a social enterprise; an organisation which combines social aims with market-based approaches for commercial purposes (Alter, 2003). Such enterprises received a renewed interest and revival in the 1990s and their function is to “improve livelihoods, provide services and empower people” (Lyon, 2003, p.76). Cepicafé works to incorporate small-scale farmers into the
global trade, while also providing better prices and improving information and production techniques required to grow higher quality coffee. Its explicit aim is to create “(...) sustainable development, improve quality of life and to eradicate poverty” for small-scale coffee producers (Cepicafé, 2007b, p.6).

Cepicafé was started after agronomy students formed an NGO, Pidecafé (Programa Integral para el Desarrollo del Café), in 1991. Their focus was on the technical aspects of coffee cultivation, on organising the producers, and subsequently on commercialisation. Different commercial relations were started from 1993 until 1996. However, none of them were successful until the start of organic exportation and a link to the Fairtrade market was created in 1996 (Pidecafé, 2001).

The organisation is made up of 6363 members grouped together in 81 democratic base associations (Appagrops12) from 3 provinces in the region; Ayabaca, Morropón and Huancabamba (Cepicafé, n.d.). Cepicafé is supported by the Fairtrade organisation and was certified by FLO in 1996. About 50% of the extra money is spent on strengthening Cepicafé, the rest goes to the associates and also contribute to improving the associations' infrastructure (Eshuis & Harmsen, 2003). Furthermore, a total of 506 associates were certified as organic producers in 2001, which is a substantial development from the first year, 1997, when only 110 were considered organic producers (Pidecafé, 2001).

As small-scale farmers join the Appagrops, they get access to the export markets, mainly for speciality coffees such as Fairtrade and Organic coffee, but also sugar cane and more recently, cocoa and marmalades. Moreover, they receive technical assistance to improve production techniques, which allows for an improvement in the quality of their products, and lay the ground for a more sustainable production. In addition, workshops are held that inform the farmers on issues such as organisational skills, economic administration, but also social issues, such as gender relations. The strategic aims of Cepicafé also state that the strengthening of technical, social, political and economic capacities is intended to create new leadership among the producers, an important aspect in order to strengthen the member organisation (Cepicafé, n.d.).

12 APPAGROP is an acronym for Asociación de Pequeños Productores Agropecuarios, or Association for small-scale agriculture and livestock holders.
2.5.1 The organisational structure of Cepicafé

Cepicafé consists, as mentioned, of two parts: a social enterprise association and a member organisation (see figure 2.3). The Appagrops are the building blocks of the member organisation, and the members are small-scale coffee producers, and also the owners of Cepicafé. As Cepicafé is a democratic organisation all decisions are to be a product of a democratic process from the base level to the central level. These base associations differ in size, and the members are the ones who decide whether or not a new member should be included (Jorge, 1/8). Activities in each Appagrop include the annual assembly meeting – in which important decisions for the coming year are decided – but also frequent workshops and meetings held by the technical assistants concerning issues such as quality requirements or basic accounting.

The General Assembly is the ultimate democratic authority within the members organisation. A meeting, in which important decisions regarding the organisation are made, takes place once a year, and the participants are delegates from the different Appagrops, elected by their fellow members (Cepicafé, n.d.). There is one delegate with voice and vote
and one with only voice from each Appagrop (*Dolores, 1/8*). Decisions are made about issues such as how much money should be paid as a fee to cover organisational costs from each quintal sold of coffee. How the money from the Fairtrade premium should be spent is further discussed, and another important event at this assembly is the election of the 7 members of the Central Directive Committee (Remy, 2007; *Dolores, 1/8*).

The Central Directive Committee – or the junta directiva – consists of 7 delegates from the Appagrops, including the president of Cepicafé. The directive committee is in charge of leading, organising and administering different tasks for the member organisation, such as that which has been agreed upon at the annual general assembly meeting. Each representative takes turns in working one week at a time at the office in Piura. They also visit Appagrops, sign papers and handle other administrative tasks related to the member organisation (*Dolores, 5/7*).

In addition to this central organisational structure, there are also zonal committees. They consist of two representatives from the Appagrops within the different districts. The zonals are supposed to facilitate the information exchange between the central committee and the producers at the base level (Remy, 2007). The Appagrops are often dispersed over a large area, hence it is easier to gather representatives from fewer and more closely situated Appagrops in zonal committee meetings. While the general assemblies are only held annually, the zonal meetings take place every month and as such important questions can be dealt with continuously.

The management is the executive organ of Cepicafé and works in the social enterprise part. It works within different areas: commercialisation and export, administration and finance, accounting, credits, research and development, project management, legal supervision and transport (Cepicafé, 2007b). The management is in charge of keeping in contact with external partners, donors and markets, such as the government agency, Foncodes, or the NGO, Oxfam, and the Fairtrade and Organic markets.

The technical staff also need to be mentioned as they are the engineers who are out in the field 20 days every month to deliver technical assistance and provide other kind of support and information to the producers. Each Appagrop normally has one technical assistant. This job is funded by the governmental agency Foncodes and is a service, which is a part of a
rural development project administered by Cepicafé (*staff from Cepicafé, 5/7*).

### 2.6 Summary

As can be seen, although small-scale coffee producers in Piura might not all be characterised as poor in local terms, on a global scale they find themselves in a disempowered situation, and due to the nature of coffee production their situation is unstable. Alternative and specialty coffee markets have become more popular and fairtrade and organic markets provide better trading conditions. Through joining Cepicafé farmers in Piura have access to these markets. Cepicafé is a member organisation and a social enterprise, built on democratic principles of participation, which aims at improving the situation of small-scale coffee producers in Piura through providing services related to production.

In the following chapter I will present the theoretical, conceptual and analytical framework for discussing how far Cepicafé are contributing to the empowerment of these farmers, as reducing poverty is not only about increasing income, but also involves gaining access to decision-making arenas which can be utilised to transform their living conditions.
3 Empowering the small through co-operation:

Presenting the theoretical, analytical and conceptual framework

The aim of this thesis is, as stated, to assess whether participating in Cepicafé is actually empowering small-scale coffee producers in Piura. Eshuis and Harmsen (2003) claim that joining a Fairtrade co-operative can empower small-scale producers. Through Fairtrade and organic organisations members have the opportunity to gain a living via a more sustainable coffee production and fairer trading conditions. Further, they are arguably given the opportunity to raise their voices through democratic participation (Goodman, 2004). While the objective of Cepicafé itself does not mention empowerment, it does include the aims of sustainable development, improving quality of life and eradicating poverty. Poverty, it can be argued, is related to the lack of power to decide over one's own life, as discussed in Chapter 2. One way to break away from it is through the process of empowerment. Related to empowerment is the notion that actors should participate in order to change the circumstances they live under for the better. One way for disempowered coffee producers to do this, is through joining a producer organisation.

This chapter, then, will present the intended theoretical, conceptual and analytical frameworks for my thesis. The concepts used are some of the most popular buzzwords in development thinking today, and I aim to define them and engage with their intended radical origins. Firstly, I will explore the term 'empowerment' in addition to engaging in a discussion about the concept of power, before I present how I will make empowerment operational, through basing my analysis on Friedmann's (1992) units of power – social, political and psychological. Subsequently, I will look at participation as a road to empowerment, in addition to presenting the theoretical stance that emphasises agency as an important explanatory factor of participation and social change. Then I shall discuss how group formations can be a road towards empowerment, in addition to the need for multi-levelled networks.

3.2 Empowerment

Empowerment is one of those rubbery concepts: because it has been used in different ways
by a wide range of people and institutions, its definition cannot be taken for granted and it is important to define in what way one intends to use it (Mikkelsen, 2005). In order to position myself in relation to the use of this concept, I will take a brief look at how it has been utilised since its appearance.

The importance of 'empowerment' in contemporary development initiatives cannot be underestimated. This buzzword had its origin in the feminist movement and the wave of alternative development thinking in the 1970s, as a reaction to the unilateral focus on development as economic progress. Empowerment was a redirection towards the inclusion of people as the centre of attention for development efforts, and was seen as a “radical project of social transformation” (Cornwall & Brock, 2005, p. 6). However, during the 1990s it was absorbed into the mainstream policies of the World Bank and other development institutions, much in the same way as other concepts such as 'participation', as I will discuss below. Thus today, some say that the reason for its popularity is merely due to the need for a justification of the development agencies' interventions (Cornwall & Brock, 2005; Luttrell, Quiroz & Bird, 2007). Empowerment, then, has become very much a trend and is no longer synonymous with radical transformation (Cleaver, 2001). I will, however, maintain that the latter is the way in which one should look at empowerment: it at least needs to be a part of the goal.

I have yet not defined what it entails to be empowered, but to further establish what I mean by empowerment I will discuss power, which is a central concept.

3.2.1 Power

Through the focus on concepts such as powerlessness or empowerment, it might be easy to fall into the trap of dichotomising power by seeing is as an either/or condition: either you have got it, or you have not. This I would argue, is a trend that is often evident in the work of development agents. I would say that Narayan's (2000) description of poverty as powerlessness and voicelessness, as described in Chapter 2, somehow argues the same: that when people are poor they have no power and no voice, and often that is the situation into which development agents believe they are entering. Though in accordance with rising post-structuralist critiques of this traditional view, it has become increasingly common to see power as something more complex. Villarreal (1992), for example, sees power as something
fluid, while Sharp, Routledge, Philo and Paddison (2000, p.25) use the phrase 'entanglements of power'. Despite the difference in phrasing their views, what they are all saying is that power – in Foucaultian terms – is everywhere in society and it does not necessarily manifest itself as a dichotomous relationship between domination and resistance, but everyone is seen to hold some kind of power (Kothari, 2001). To emphasise that power appears and can be exercised in a variety of forms, Sharp et al. (2000, p.20) divide power into different components such as forces, practices, processes and relations of power.

Having a more complex view on power, then, is useful in order to understand that development interventions do not take place in a power vacuum, and so when analysing them one must pay attention to the fact that they are occurring in a context which is already infused with entangled power relations (Cornwall, 2004). This means that there are established relationships, forces and practices of power already operating. As such, any development initiative – whether international or local – must be expected to yield different results according to the local setting as it is challenged by – and impact upon – various people in different ways (Long, 2001). Cornwall (2004), for example, points to how existing power relations might actually lead to interventions exacerbating differences among actors. However, understanding that social heterogeneity can give varied results should not be used as a justification to settle for poor outcomes. It is moreover important that development agents recognise and analyse these power relations' implications, in order to improve practices and bring about change.

3.2.2 Making power and empowerment operational

To show how I intend to study empowerment, I want to look into ways of operationalising power and empowerment. One rather classic way of understanding the forms of power has been to divide it into terms such as 'power over', 'power to', 'power with' and 'power within' (Luttrell et al., 2007; Rowlands, 1995).

'Power over' is perhaps one of the most common ways of thinking about power, and entails that it can be seen as something used to dominate over others, for example through physical violence. Alternatively, it can be exercised in a much more subtle and discursive way in which it becomes something normal and accepted, to the point where those who are in a
subordinated position do not even question their situation. This way of looking at power is also commonly associated with a dichotomous relationship between oppression and resistance (VeneKlasen, Miller, Clark & Reilly, 2004).

Power is not only restrictive and oppressing, though, it can also be viewed as enabling. The term 'power to' can be said to be related to the process of empowerment, which means it can be seen as something that one exercises to make things possible. Kabeer (1999, p.2) talks about empowerment as the ability to make choices, and she further argues that empowerment encompasses “[...] the processes by which those who have been denied the ability to make choices acquire such an ability”. Hence, it is something which gives the marginalised access to political participation, but also economic decision-making, and furthermore, it must “[...] include the processes that lead people to perceive themselves as able and entitled to occupy that decision-making space [...]” (Rowlands, 1995, p. 102). This last point is what is often referred to as 'power within', namely having a feeling of confidence and self-assurance (VeneKlasen et al., 2004).

In accordance with the Freirean tradition13, I want to emphasise that empowerment also requires that marginalised groups develop a critical consciousness, and further that it involves some degree of personal development which allows a person to move from insight to action (Rowlands, 1995). If I combine these statements with the claim that empowerment must also be transformative, as was discussed before, I will sum up and outline the intended definition of empowerment as follows:

Empowerment is a process of decision-making in which those who have been excluded are included and are consciously participating to radically transform their living conditions.

Moving towards action can more easily be done together. 'Power with' illuminates the way in which the marginalised are envisaged to be able to empower themselves. 'Power with' signifies that power can increase through networking and collective action. This is also the view that both Long (2001) and Friedmann (1992) hold, that together the marginalised stand stronger (Luttrell et al., 2007). As I will discuss below, such a process is often sparked and supported by external agents. Still, as Rowlands (1995) emphasises, empowerment must

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13 Paolo Freire was a Brazilian pedagogue who made contributions to education for the oppressed, with an emphasis on knowledge creation through dialogue and critical thinking and using consciousness to transform reality (Smith, 1997, 2002).
come from within, which is why the marginalised themselves must be engaged in the fight for change.

The different forms of power I have discussed emphasise the claim that power is indeed a complex matter, which cannot only be seen in dichotomous terms and, further shows us that the process of empowerment contains dynamic elements of power. In order to operationalise and analyse empowerment I have chosen to use Friedmann's (1992) three dimensions of power – social, political and psychological. The terms 'power to' and 'power within' can very well be compared with Friedmann's analytical dimensions of empowerment. These dimensions also emphasise the point that empowerment relates to a multidimensional sphere of poverty reduction, as was mentioned in Chapter 2.

These dimensions of power can be seen to be the entities that make up the entangled power relations between different actors. Producers might hold different degrees of social, political or psychological power which are dynamic and will change in the course of the process of empowerment. Every producer will always have more or less power relative to the circumstances and the relationships he or she find him- or herself in, which again can enable or restrict their ability to strengthen their power in the social, political and psychological spheres. But everyone possesses some power, which can – if appropriately canalised – be used in a process to transform their living conditions.

Empowerment is as stated a process, and can move from disempowerment to individual empowerment towards collective empowerment. Related to Cepicafé the empowerment at the individual level relates to an initial enabling of powers within the organisation. I believe it can strengthen the agency of members and increase the potential for collective participation and empowerment. It is the collective level that is concerned with radical transformation and, as such, involves breaking external barriers, as will be discussed below (Luttrell et al., 2007; Rowlands, 1995). As Rowlands (1995) points out, collective action is dependent on at least a few empowered people. However, there must still be an acknowledgement that the goal lays beyond empowerment at the individual level within the organisation.

I will now present the mentioned elements of empowerment that compose the basis for my

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14 I will discuss these levels further in the section about political power.
analysis, and although the three power dimensions constitute a dynamic empowerment process, I will for analytical purposes treat them separately.

**3.2.3 Social Power**

“When a household economy increases its access to these bases [of social power], its ability to set and attain objectives also increases” (Friedmann, 1992, p.33).

To gain social power means acquiring resources that can improve productivity and outcomes. Friedmann (1992) operates with eight bases of social power\(^{15}\) that can perhaps be seen as typical assets needed for a productive life. Hence, an increase in social power means an increase in the bases of productive wealth. The different bases to social power related to the household can, according to Friedmann, be accessed by a collective actor such as an organisation. Social power is measured by relative access: one does not have the same access to all bases, but any increase will improve the lives and livelihoods of the household or individual (Friedmann, 1992).

I will loosely base my work on these eight bases, but I have integrated the most relevant ones in my own categories that are related to Cepicafé. Thus, I will assess social power through the functional areas of service provision that I have identified and categorised. These are technical assistance and knowledge transfers, commercialisation and credit provision\(^{16}\).

**3.2.3.1 Technical assistance and knowledge transfers**

Cepicafé provides technical assistance and knowledge transfers related to coffee production, which relates to several of the social bases of power, as described by Friedmann (1992). Through joining Cepicafé farmers can get access to improved instruments of work and livelihood. In this case that can be different kinds of tools such as the coffee pulper machine.

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\(^{15}\) The 8 bases as identified by Friedmann (1992) are: defensible life space; surplus time; knowledge and skills; appropriate information; social organisation; social networks; instruments of work and livelihood; and financial resources.

\(^{16}\) Friedmann (1992) operates with social organisation and social networks as two of the bases to social power, however, I consider these to be a result of grouping together and I have therefore not included these bases in the functional areas.
or access to land. Human resources are also important for increasing productivity, and knowledge and skills can be attained both through formal education, which is more applicable to the producers' children. Human resources can also relate to the practical skills necessary to improve production, such as how to produce organic coffee more efficiently.

For human resources to be of any use an individual requires appropriate information. This base also relates very much to what Narayan (2000) writes about poverty: access to appropriate information and knowledge is important to be able to make informed choices. This knowledge can be applied in very different circumstances: it can be employed in decision-making processes concerning for example the Fairtrade premium. Or, it can be utilised to employ improved production procedures, which can result in the producer's inclusion in the organic market and, as a result, can increase income.

3.2.3.2 Commercialisation and credit provision

Through commercialisation and credit provision social power is strengthened by an increase in financial resources. Cepicafé's focus is strongly linked to the strengthening of financial assets. Selling to the Fairtrade and organic market ensures a more stable and (normally) higher price for coffee than the local market, in addition to a fixed premium, while credit support throughout the year becomes an important security net, as income from coffee production is seasonal (Eshuis & Harmsen, 2003).

Surplus time is “the over and above time necessary to gain a subsistence livelihood” (Friedmann, 1992, p.86). For coffee farmers who are selling to the Fairtrade and organic market, there is a lot of extra work that needs to be put into production procedures. The question, then, is whether the required amount of work is relational to the increase in income gained from selling to these markets instead of selling less carefully prepared coffee on the local market.

When analysing the service provision in Cepicafé, these functional areas and their relation to the bases of social power can indicate something about how farmers might be equipped to work towards collective empowerment. The strengthening of social power is, according to
Friedmann (1992), necessary for gaining political power, and I will discuss this further in the next section.

**3.2.4 Political Power**

“Political power concerns the access of individual household members to the process by which decisions, particularly those that affect their own future, are made”

(Friedmann, 1992, p.33).

If poverty is partly related to voicelessness, then attaining political power is what can contribute to changing that situation. In relation to Cepicafé, I have attempted to look at political power both at an individual level, within Cepicafé, but also as a result of Cepicafé as a collective actor that can formulate and express concerns and demands in order to negotiate external political and economic barriers (Long, 2001).

Political power can be gained through participation. Individual political power relates to the producers' degree of participation and ability to impact upon decision-making within the organisation, so that the concerns of the individual will be met (Milford, 2004). It is here that the individual farmer has the opportunity to strengthen his or her bases of social power by contributing to decisions regarding projects and spending of the Fairtrade premium, amongst other issues.

On another level we find collective political power (Friedmann, 1992). This is the level on which an organisation can influence the situation of agricultural producers in the region, and remove certain external barriers in coffee production. By expanding participation to include advocacy work, the organisation can promote the rights of the coffee growers as a whole. Political claims at a collective level can for example relate to changes in the global market structures or improved support from the state towards the agricultural sector, or in relation to diversifying employment opportunities. Cepicafé certainly has a potential for collective power as it is easier to acquire through a multi-levelled network, and the organisation finds itself in a global/local network with both Fairtrade and organic market initiatives, as will be discussed below.

Above I have showed how political power can be used to influence social power, but
According to Friedmann (1992), social power plays an important part in obtaining that political power. He claims that a surplus of social power opens up for more freedom to engage in political activity and it might also be a source of better self-confidence. To exemplify such a statement and relate it to Cepicafé we can look at some of the bases: with better knowledge and information, it is easier to actively contribute to a decision-making process as choices are informed. It might also feel easier to state one's opinion if a person feels more informed about the issue at stake.

Additionally, a larger production size and higher income might reduce financial vulnerability and can open up for both interest and time to spend on other activities, such as participation in decision-making processes and taking on higher leadership positions in the organisation. On the other hand, if considering the actual ability to join Cepicafé and get access to a decision-making arena, a lack of financial resources might be an obstacle as it is required to pay a rather large sum to join an Appagrop – a sum which for many small-scale farmers might be unmanageable.

Thus, producers' strengthened social power bases put them in a position which enables them to make choices they will benefit from (or in the opposite view, the lack of social power excludes them from these processes). Next, I want to focus on the third and last aspect of empowerment, before I turn to a discussion on participation.

3.2.5 Psychological power

“Psychological power, finally, is best described as an individual sense of potency. Where present, it is demonstrated in self-confident behaviour”

(Friedmann, 1992, p. 33).

Rowlands (1995) among other authors, has emphasised the importance of developing self-esteem and self-confidence as an important aspect of empowerment (Luttrell et al., 2007), because at the end of the day, the way an individual feels and looks at his or her situation is important for their quality of life (Narayan, 2000). Friedmann (1992) also states that if the individual feels able and competent it will positively affect his or her motivation and actions towards the improvement of social and political power.
Psychological power can be understood in relation to agency, which I will discuss below, because it seems that different individuals can very well see their situation differently even under highly similar circumstances. Power relations also affect a person's self-confidence, thus a person can feel different levels of competency and self worth in relation to who they compare themselves with: an organised producer might feel more competent than the independent farmers and less than the engineers, for example. Sobrado Chaves and Stoller (2002) claim that in institutional settings in Latin America, there are often typical clientelistic relations that almost naturally reduce the self assurance and participation of people in the lower social rang.

I also believe that the psychological dimension relates to whether the producers are developing a critical consciousness, as mentioned above (Rowlands, 1995), because an understanding of one's position and one's circumstances, as well as having a supportive ideology might impact on the feeling of self worth and lead to producers claiming their rights. This is especially important, I will, argue if the organisation as a whole is to mobilise towards external forces.

The psychological dimension is complex, broad and sensitive and has not been easy to assess due to the difficulties in getting the appropriate contact with people during my field work. Hence, my analysis deals most explicitly with the social and political power dimensions. However, psychological power is an inseparable unit, and I touch upon issues related to it throughout the analysis.

Having looked at the three analytical units of empowerment, I now turn to the question of how this empowerment is to come about, and one way to be empowered is arguably through participation.

### 3.3 Participation

Participation has become one of the most popular concepts in development literature and practice over the last 15 or so years, and institutions such as the World Bank and other international and national NGOs are actively including the requirement of participation in their policies (Hickey & Mohan, 2005; Stewart & Wang, 2003). Despite this – or should I
perhaps say as a result of this – it has also become an immensely controversial concept, mainly due to its broad and uncritical use. What is actually meant by participation? The meanings are many and diverse, the practices and results likewise. That is why it is such an important concept to define when intending to use it in an analysis or a development initiative. Before I present my intended definition of the concept, I will introduce some of the uses and critiques directed at it through a brief historical account of its existence.

'Participation' as a development concept is closely related to that of 'empowerment', which I have already presented, and the use of this concept in development thinking and practice has developed parallel to that of 'empowerment'. They both appeared as part of the alternative development wave that appeared in the 1970s, but have become popular concepts in the contemporary world of development practitioners. The focus on participation came as a reaction to what was considered interventions that did not take the beneficiaries' views into account. What was needed was a development process that would be based on local knowledge and experience and represent the case of the poor and marginalised groups in society (Kothari, 2001).

Participation was seen as a way to bring about empowerment, and as such was closely linked to a radical view of social change. However, it quickly became absorbed into mainstream development policy and discourse, mainly for the same reasons as with the term empowerment, which was to justify interventions (Cleaver, 2001).

In mainstream development policy, participation has been applied from the local to the national level, and can at the very least refer only to consultations from groups within civil society in national policy-making, such as in the Poverty Reduction Strategy Papers (PRSP) process. On the other hand it can mean actively creating community development policies based on local knowledge, with and for the local population, through the use of, for example, Participatory Rural Appraisal (PRA) methods in which the poor themselves are to identify both problems and solutions in order to specify the direction of a project (Stewart & Wang, 2003).

However, participation as a method was discredited by many, a clear manifestation being the book “Participation: the new tyranny?” (Cooke & Kothari, 2001) with the main point of critique being that it had not brought about the intended social change for poor and
marginalised people. Cleaver (2001, p.36) has gone as far as calling the inclusion of participatory approaches in development initiatives “an act of faith”. Critical voices emphasised the lack of including issues of power, politics and resource distribution, which were considered to be central to the underlying processes of development (Cornwall & Brock, 2005; Hickey & Mohan, 2005; Stewart & Wang, 2003). Participation, it has been claimed, has been treated “[...] as a technical method of project work rather than a political method of empowerment” (Hickey & Mohan, 2005, citing Carmen, 1996; Cleaver, 1999; Rahman, 1995). The PRSP process, for example, has been criticised for only using participation to create the illusion of a country's ownership towards national development policies, while at the end of the day the recommendations made by civil society have not even been taken into consideration. PRA methods have also been criticised for the lack of focus on power issues, and for overlooking the fact that the interventions made by these researchers also impact on (and in some cases reinforce) existing power relations in a community (Kothari, 2001).

However, in spite of this critique, certain scholars still believe we can hold on to 'participation' as a valid concept within the field of development. Hickey and Mohan (2004) published the book “Participation: from tyranny to transformation”, in defence of the concept, and they believe that participation can actually be transformative if only it engages itself with power and politics (Hickey & Mohan, 2005). In a way one could say that the radical objective from the 1970s has again reappeared, if not yet among practitioners, at least among certain scholars.

Participation in practice should be brought back to its originally intended transformative objective, that which is closely linked to empowerment, in order to challenge the structural underpinnings of inequality. Hence, to me, if participation in Cepicafé should be the road to empowerment at a collective level, then participation must not only be directed towards decisions within the organisation, but it must comprise participation that includes political claims aimed at breaking external political and economic barriers.

3.3.1 Agency
Central to participation as a concept is the understanding that agency is one of the main forces behind development and social change. In my work, I have chosen to use what Norman Long has termed the actor-oriented approach as a guiding theoretical framework
when trying to understand participation in Cepicafé.

The structure versus agency debate has been central to development literature and policy when explaining the forces and obstacles to development and social change (Long, 2001). It can be argued that there are three main stances in this debate; some argue that structures, such as social class, gender, religion etc. determine development, as can be seen in Marxist-based theories of development, but also in modernisation theory which focuses on economic structures as the forces behind development (Long, 2001). Opposing this deterministic view are the scholars who emphasise agency. They assume that human beings are capable of responding to social circumstances, making their own choices and acting them out to change their own lives. Those arguing this view often see development as resulting from grass-root movements; a bottom-up approach (Long, 2001; Luttrell et al., 2007). The third stance is a compromise between the previous ones, and recognises that structures do in fact impact upon the lives and livelihoods of people, but that humans as active agents are negotiating and renegotiating these structures. Anthony Giddens' structuration theory is an example of this view as well as Long's actor-oriented approach (Long, 2001).

Agency is constituted by knowledgeability and capabilities. Knowledgeability relates to the personal experiences and perceptions of individuals and groups, and is a result of each person's unique characteristics and background. Knowledgeability further entails that actors are not passive recipients of interventions and external impact, but rather that they actively process information and make choices on the basis of their knowledgeability (Long, 2001). Hence, it is important to keep this in mind when assessing a person's level of, and attitudes towards participation (Cleaver, 2001).

Capabilities, which include skills and access to resources in order to organise, also affect agency (Long, 2001). Capabilities can also be seen in connection with a person's social and political powers as they relate to productive resources and the ability of a person to negotiate and improve his or her situation through decision-making. Hence, the earlier mentioned power flows that exist between human beings must be considered to impact on a person's capabilities, as they can restrict or enable access to resources and participation.
For the purpose of my research, I am defining agency as the ability of a social actor to undertake actions mediated by his or her knowledgeabilities and capabilities, as well as by power relations.

3.3.2 Knowledge
Knowledge forms a pivotal part of a person's agency and plays an important constitutive role in relations of power. In participatory arenas the knowledge that is required to make informed decisions can be unattainable for some, for different reasons. One common way of viewing someone's level of knowledge is in quantifiable measure, and knowledge is often seen to be universal and thus something which can be transferred in a linear way without changing. Consequently, one kind of knowledge will bring about the same results in any given place.

However, as McFarlane (2006) emphasises, knowledge is not neutral, but socially produced, situated and formed through practice. As it is produced, it is often political and because it is situated, the knowledge various people gain from certain types of information will also be different, as knowledge is the sense that a person makes of information he or she is given (McFarlane, 2006). As will be discussed in Chapter 6, the producers in Cepicafé often have knowledge that has been acquired through practical work, but less understanding of more abstract concepts, such as Fairtrade. That means that they might be highly knowledgeable, just not in ways that correspond to that which is viewed as correct in certain settings. So, with reference to participation in Cepicafé, to merely focus on the producers' sole access to a participatory arena in which they are allowed to speak and be heard is not enough. Cornwall (2004, p.84) claims that “[...] reframing what counts as knowledge and articulating alternatives” is pivotal in order to allow for effective participation.

3.3.3 External forces
Even though agency can have great impact on how far an individual or group succeeds in improving their situation through participation, it cannot be seen as the only explanatory factor to determine social change (Long, 2001). Many participatory initiatives have been criticised for overlooking the impact of external forces and power holders (Cleaver, 2001). Friedmann has identified both the market and the state as actors whose power is exercised on behalf of civil society, and as such has contributed to the marginalisation of large groups
of people (Stokke, 1999). Hence, the forces outside of Cepicafé, which I will focus on in my analysis, are the international coffee market and the Peruvian state. If participation should lead to collective empowerment, it is not only important to acknowledge power relations internal in the organisation as obstacles, but there must be a recognition of the impeding effects of external powers. Such outside forces can be mediated through the actions of social agents and efforts must be made to negotiate and overcome them through mobilisation and advocacy.

### 3.4 Group formations

Empowerment can be achieved more easily through collective action, and especially through forming groups. This is increasingly recognised by development agents. Cleaver (2001) claims that institutionalism is a prevalent feature of today's development agenda. There is a general positive attitude towards institutions and their role in bringing about social change, due to their supposed efficiency in the matter. She further claims that on the other hand, the ones who are excluded from institutions are considered to be marginalised.

For small-scale coffee producers in Piura, one potential way to acquire collective strength and to access an arena for participation is through the involvement in Cepicafé. The formation of coffee associations can arguably give support in many ways, as it creates the possibility of the strengthening of social, political and psychological power: the producers get together and support each other, they gain access to production facilities, such as infrastructure and physical assets for production; knowledge; information; and alternative markets, which can result in higher incomes and they can participate in decision making within the organisation and feel more valued and competent as producers (Eshuis & Harmsen, 2003; Milford, 2004).

Thorp, Stewart and Heyer (2003) have studied different kinds of group formations among poor people and have looked at how such groups come about, and what is needed to make them sustainable and successful in their quest for poverty reduction and empowerment. I will use their analysis as a framework in order to assess Cepicafé's role in poverty reduction and empowerment among Piuran coffee producers.

After examining how pro-poor groups come about, Thorp et al. (2003) have distinguished between three distinctive functions, or *raisons d'etre* for groups: Pro bono function groups...
are directed towards persons outside the group and seek to distribute services and benefits. Such groups might be NGOs and can typically be related to for example health provision or education facilities. Another type of group is claim groups. Their purpose is to demand their members' rights to resources or power and are more linked, I would argue, to groups which seek to empower marginalised people through radical changes in society, which I would argue is in accordance with the pursuit of collective empowerment (ibid.). Examples of such claim groups might be women's groups that are claiming women's right to decide over their own sexuality, or a group that is fighting against the privatisation of their town's water (such as the indigenous groups in Cochabamba in Bolivia).

The third category of groups discussed by Thorp et al. (2003) – and I will argue that Cepicafé falls under this category – are formed as a reaction to market failure and as a solution to market imperfections (Thorp et al., 2003). Types of groups formed due to market failure are producer associations and savings and credits groups (ibid.). Cepicafé was formed to improve coffee farmers' situation and facilitate exports which would give higher prices. If referring to the process of empowerment that requires participation that involves political claims, it can be argued that Cepicafé is not such an organisation, but that it is merely a service provider, which can contribute to facilitating individual empowerment at the most. Still, through utilising and coordinating efforts within a multi-levelled network, there is a potential to further expand the aims to include political claims.

Having a reason for a group to exist is not enough for it to succeed: coherence to the group's objectives is pivotal in sustaining the actions of an association. Thorp et al. (2003) divide into three main modes of operation used to achieve compliance form members: power and control, material incentives and co-operation. In groups sustained by power and control, a hierarchical structure with dominant leaders decides the course of action for the group through the supervision and monitoring of members actions. At their most extreme though, such groups can be considered oppressive and exploitative. In groups which use material incentives to bring about behavioural compliance with the objectives: wages and salaries are perhaps the most common incentives, although such systems might also use forms of sanctioning. The last distinctive form of achieving cohesion according to Thorp et al. (2003) is through co-operation. In a co-operative group, people are voluntarily engaged to work for the interest of the group.
Cepicafé, which consists of a social enterprise part and a member organisation I would argue possesses traits from all these modes of operation. The aim of increasing income through selling to alternative markets clearly demonstrate that there are material incentives involved, while voluntary engagements by leaders – and producers who are helping other members build shelters for drying coffee beans – are examples indicating a level of co-operation. There are, in addition, manifestations that the management is controlling the farmers in certain ways, for example by monitoring the quality of each farmer's coffee beans – a practice which from this year will lead to a reward system for quality.

Thorp et al. (2003) point to the need for appropriate levels of leadership that gives room for co-operation in order for a group to succeed, as well as a supportive institutional design. Lyon (2003) also claims that the ability to sustain collective action depends on an interplay of power and trust between members. There is a need for trust which is closely related to co-operation. But a group also needs leaders who are able to exercise power in order to make sure members comply with rules. Still, if the interplay does not allow for enough co-operation and participation from all members it can go against the objectives of empowerment, and become too much of a top-down service provision.

There are also other factors that need to be present for a market-failure group to be successful: the group should have a local social structure and legitimacy (Thorp et al., 2003). Associations and co-operatives are as mentioned a familiar trait in Piura, and as coffee production is widespread and Cepicafé provides an alternative to exploitative middlemen, I will argue that this is to a large extent the case here. The last point made by Thorp et al. (2003) is that there must also be a supportive ideology present. In this case an ideology to unite the farmers would be related to Fairtrade and higher quality.

### 3.5 Multi-levelled networks

Long (2001) states that social action happens through networks of social agents. Networks, he argues, are important in shaping both knowledgeabilities and capabilities that can be utilised to mobilise individuals (Long, 1992). Hickey & Mohan (2005, p. 247) take this thought further, and stress the importance of moving beyond locality towards “multi-scaled strategies and networks” in order to achieve radical transformation through participation.
Friedmann (1992) claims that collective power is not a spontaneous creation, but rather a result of the push from external actors. Thorp et al. (2003), in their paper on group formations among the poor, also emphasise the importance of external actor support, and use an example of a Colombian coffee association, in which the merging of poor peasants and elite farmers was necessary in order to undertake a number of activities pivotal for successful exportation (such as marketing and undertaking quality controls). These activities would have proven difficult for most peasants to deal with alone. In Piura, the producers have received support from professionals who have created a service provision for coffee farmers, and in addition the Fairtrade and organic market initiatives have been crucial for the organisation's existence due to the price benefits and long-term contracts they provide. They are also setting the agenda for many of the functions within Cepicafé, as the cooperation is conditional. In the case of Cepicafé, then, the relevant actors can broadly be categorised on three levels; the small-scale producers, the professional staff within Cepicafé and the alternative markets. Hence, a global/local network, which binds together the producers and the consumers through the focus on ethical trade standards and production procedures, can be said to exist (Goodman, 2004; Raynolds, 2002). Such a network has the potential to lift political claims and participation to a global level. But in order to do this, there is a need to better consolidate efforts and create a mutual understanding of the aims between the three levels (Hickey & Mohan, 2005).

3.6 Studying Cepicafé

In order to examine whether Cepicafé as a social enterprise and member organisation is empowering its members, I will conduct my analysis by applying the theoretical, conceptual and analytical framework presented in the current chapter to the analysis of the workings of the organisation.

Empowerment is, as stated, a process of decision-making towards radical transformation, and the analytical units of empowerment are social, political and psychological power. These are dynamic, interlinked and are the constitutive elements of the entangled power relations between actors, but despite running the risk of portraying the empowerment process in a too simplistic manner, I have chosen to treat them separately for analytical ease. Hence, Chapter 5 will mainly deal with the issues of social power, while Chapter 6 will be
more concerned with political power and participation in decision-making. As stated earlier, the dimension, psychological power, will not be explicitly discussed to a large extent. It can perhaps somehow be seen to manifest itself through the multiple realities I aim at portraying.

To understand how members can increase their social power through a membership in Cepicafé, I will make it operational by focussing on the actual services that Cepicafé as a fairtrade/organic producer organisation is providing through three functional areas; commercialisation, credit provision and technical assistance and knowledge transfers. These services will be seen in light of the nature of coffee production and by evaluating the benefits as perceived by different producers in order to portray their multiple realities. I will provide examples of how both agency and a person's level of power can impact on the perceived and actual gains from these services.

Service provision is a typical focus of many groups and development initiatives aimed at strengthening marginalised people's situation. However, simply improving social power is not enough, empowerment is also about having access to decision-making, and political power can be gained through participation. One of the requirements the alternative markets put forward is that decisions in a producer group must happen through democratic participation and the structure of Cepicafé (as presented in Chapter 2) opens up for farmers being able to decide on issues concerning the processes in Cepicafé. Political power as a result of participation in decision-making will be assessed at two levels: the individual and the collective.

To understand how participation happens, but also how it might be restricted for some actors within Cepicafé, I will discuss the way information and knowledge is transferred from the management and leaders to the producers within the organisation. Furthermore, I will describe certain power relations between actors within Cepicafé, as I believe these to have an impact on participation. Although the flows of power are characterised by an entangled and relative nature, I have identified some analytical relationships that I will
focus on⁷:

- Between the producers and the management/professionals
- Between producers
- Between organised producers and independent farmers

In my discussion of these relationships I look into the difference in levels of social power and how this relates to producers' access to participation and political power. As mentioned, the analytical units of empowerment are also the elements that produce different power relations between actors. I further discuss issues of trust and control among producers in decision making.

As discussed, empowerment must entail a view towards radical change and the organisation should aim at directing claims towards forces outside of Cepicafé. I will present some external forces that I consider to be inhibiting the producers' ability to fully decide about their lives and livelihoods: the state and the coffee market. Then I will discuss Cepicafé's potential and limitations related to mobilisation of political claims: Peru's political context might be seen as inhibiting political claims towards the state, and what might be considered a lack of political will on behalf of the management will be discussed. Being part of a multilevelled network provides a potential for global advocacy towards the market, but efforts need to be consolidated in order to invoke mobilisation at all levels.

Now that I have stated how I will use the theoretical and analytical concepts to understand Cepicafé's role in empowering their members, I will continue with presenting the methodological foundations for this thesis and the methods employed during my field work.

⁷ I believe there are also two other important relationships of power that are interesting to study. One is the relationship between the central committee members and the rest of the producers, and the other is between the central committee and the management. However, I have not managed to get enough information for my analysis and I will therefore not include these relationships, although I do recognise their potential importance.
4 Methodology: looking into realities

Most researchers within social sciences who are conducting qualitative research today assume that there is not one single, objective truth out there to be discovered, but that there are many different subjective realities. Thus, the aim of much qualitative analysis is to understand the underlying meanings and values that shape the world (Dwyer & Limb, 2001).

I have conducted field work among small-scale coffee producers in Piura, who belong to the producer organisation Cepicafé. My objectives are to understand how these small-scale coffee producers can be empowered through the organisation, and why participation might be limited. I have chosen a qualitative approach in order to understand and transmit the multiple realities that are found among individual coffee producers in Cepicafé. I want to study the potential for empowerment through participation by analysing people's experiences and ability to act in and through the organisation. I am looking into how agency and power relations give heterogeneous responses and results. Furthermore, I am concerned with the organisation's relations with the outside world. Susan Smith (2001) claims that to choose a qualitative approach to research can be seen as a self-conscious political statement. Through the use of a qualitative approach I am stating that when it comes to knowledge production people's voices matter.

As my thesis is based on the knowledge created through the interplay between myself and my research participants, I will start this chapter with a discussion on critical reflexivity as a way to evaluate it. Subsequently, I will present my field work – how I selected my participants and the methods used. The methods discussed are interviews, observations, informal conversations and secondary data analysis. Then, I will give an account of the process of analysing the data, before I discuss the ethical considerations related to my research.
4.1 Critical reflexivity

Qualitative research is a social process in which we as researchers impact upon the persons and context that surround us and, furthermore, interpret experiences and present them to the world. Hence, we bring our personal opinions and characteristics into the research, also referred to as a researcher's positionality. As such, knowledge is context-specific and situation-sensitive and this was termed 'situated knowledge' by the feminist researcher, Donna Haraway (Cope, 2002; Smith, 2001). It is important that I, as a researcher, am aware of the power this kind of knowledge creation entails, and I must scrutinise my position and analyse how and what influences occur, and what results this can lead to. This way of assessing knowledge production through research is called 'critical reflexivity' (Dowling, 2000).

4.1.1 Positionality

Stuart Aitken (2001) says that it is important that we are honest about our motivations and expectations, because they drive our positionality. In my case, I have to admit that from the start I had a political and moral agenda. I believed, and I wanted to believe, in ethical trade and that small-scale producer organisations have a positive effect. I knew that this might lead to me wanting to emphasise positive claims, which I also expected to be predominant in my findings – firstly because I obviously believed in it, but also because I expected the research participants to tell me what they would think I wanted to hear. However, by being aware of my presumptions I was able to do my best to make sure I was critical about them. However, as it turned out, some of them would – to my dismay I must admit – be dismissed.

Dowling (2000) suggests that one way of being aware of our position is by keeping a research diary in which we record observations and reflection about our own roles. During my stay I kept a diary of my visits in the field, and every few weeks I sat down and wrote a report to myself in which I assessed the field work so far through discussing my position and the participants. Through this I managed easier to reflect upon my presence and my findings, and this process always yielded some interesting new thoughts and insights regarding how to continue the field work.

I also affected the data by my mere presence in the field and it is important to acknowledge this (Thagaard, 2003). There are many factors that have influenced my research, such as the perceptions, personal characteristics and social position of the research participants and
myself (Dowling, 2000). There will always be some kind of power relationship between the researcher and the research participants (Dowling, 2000; Cope, 2002). A substantial part of my thesis deals with the power relations among actors, and I also recognise that relations of power have coloured the relationships between my participants and me. This chapter, then, is a way of presenting the relations in the field and as such show how knowledge has been produced through the research process.

4.2 Getting started

The road towards a final thesis has been a long and winding one, starting almost a year before my trip to Peru, when I decided on a general topic, followed by preliminary preparations for my field work. I planned for, and anticipated many occurrences and outcomes, some of which turned out as I had thought, others not.

The reason for specifically choosing Piura had mainly to do with my interest in Latin America, as well as my Spanish skills which I wanted to make use of. Also, there are many small-scale coffee farmers in Piura, and the region has a long history of co-operativism. This, in addition to the fact that Cepicafé is a Fairtrade producer organisation made it a suitable subject for my study.

Before I went to Peru I had been in contact with a man, J.C., who works as a project manager in Cepicafé. When I arrived in Piura I contacted him and we had a meeting in Cepicafé’s office. I was told I was more than welcome to use their library and their office as long as I was staying to do my research, he also said they would facilitate meetings with the coffee producers. This man became my key informant whom I got to know quite well. By key informant I mean that he was knowledgeable and would comment in a reflective way on issues concerning my study, as well as being someone I trusted and whom I could ask for advice and sensitive information (Thagaard, 2003; Punch, 2001). He was always ready to help me out and answer questions I had regarding information and circumstances I needed to have explained to me. He also facilitated my trips to the mountains, and helped with the logistical planning of these.
4.3 Finally in the field

After having agreed with Cepicafé that I could use their facilities, I stayed at the office the first week reading up on the organisation. Then, at the weekend, I was invited along with J.C. to meet producers in the highlands, as he was going there to hold some workshops. On this trip we visited three of the 81 Appagrops that belong to Cepicafé. This first trip to the highlands was mainly to get an overview of the situation, to see how the farmers live and work, and to see how Cepicafé and the Appagrops function. During these three days in the highlands I learnt many things about the technical aspects of coffee production and I also learnt that some of my preconceptions of how things would be were wrong. I also came to realise that it would be difficult to only talk of a Fairtrade market in relation to Cepicafé because an important and perhaps more concrete concept for the farmers was that of organic farming.

After this trip I consulted J.C. to know which places and associations would be the best to visit. Due to time, financial and physical access limitations I ended up with three Appagrops that were rather close to each other, thus all I needed was to take a four to five hour bus journey to a mountain village where I could stay in a hostel. From there I could travel to the different Appagrops without too many difficulties. One association was in walking distance from the village, while the two others required going on motorcycle or by car for 10 to 20 minutes.

I chose to go to the highlands 3-4 days a week and the rest I spent at the office in Piura to transcribe and to prepare the next interview rounds. I felt it was important for me personally to get some distance to reflect on my research and to plan ahead. My research assistant was another reason why I decided not to stay too long each week because of his commitments at home and because of my own financial limitations.

4.3.1 Research assistant

When conducting field research in another country, some might get a research assistant to work as an interpreter if they do not speak the language. In my situation I decided that I would get a research assistant mainly for three practical reasons. First, although I speak Spanish well, it is not perfect and I wanted help. Second, my limited experience as an interviewer has made me realise it is difficult to take notes and be an active listener at the
same time. Third, I would feel more comfortable being accompanied by a local when travelling around.

The research assistant I found was the cousin of one of the employees at Cepicafé, a 21 year old young man who studies agronomy at the National University. I did not want someone who worked for Cepicafé, as this might lead to restrictions in the information people would be willing to give. I paid my assistant slightly more than a normal day's pay in Piura in addition to covering for transport, food and lodging.

For the researchers using their assistant as an interpreter, the influence their assistant will have on the knowledge production might be significant, as some of the meaning might be lost in translation or the assistant retells his or her own views (Aase & Fossåskaret, 2007). In my situation though, I feel that my assistant's impact on results was rather limited, as I understood most of what was said. Also, in interview situations I clearly stated our roles – that I was the researcher, and he was my assistant – to the participants. I did this because in some instances, he would be the one the participants turned to first, and I wanted the dialogue mainly to be between me and the participants.

The major benefits were the ones I had foreseen. If there were problems in the communication between me and the research participants, my assistant would explain the question to them, and after interviews he would explain to me the topics and answers I did not understand, as well as local phenomena that were referred to. Furthermore, his note-taking helped the information gathering, but mostly before I started using a tape recorder, and it was also reassuring to have him with me when I travelled in the mountains.

I did experience some challenges related to the assistant's role in information gathering, though. He did not speak English and I did not explain well enough my objectives and what I expected him to do and what kind of information was important to me. Seeing quantitative data is more dominant in Peru than qualitative, I believe we did not fully have a mutual understanding of what is useful information and as such notes from for example observations were not always as extensive as they could have been.
4.3.2 Selection of research participants

In relation to participant selection, Thagaard (2003) claims that one must use a strategic selection which entail choosing participants that possess strategic characteristics or qualifications related to the research objective. I had some criteria as to whom I wanted to speak to, which were small-scale coffee producers who were organised and who mainly receive their income from coffee. In addition I aimed at speaking to the staff in Cepicafé and also a few independent small-scale coffee producers. The selection methods were a mix of convenience sampling, which means the participants are the ones who agree to take part in the study, and network (or snowball) sampling, which means I get access to more participants through my first strategically chosen contacts (ibid.).

The way I went about finding participants was by asking the staff in Cepicafé. Then, the staff – primarily technical assistants who knew the producers,18—directed me to associates, who in turn directed me to independent farmers. The ones I ended up interviewing were the ones who had time and accepted to be interviewed by me, and all participants (except for an independent farmer we met on a path when looking for another person, and with whom I had an interesting informal conversation), were referred to by someone within the organisation.

During my time in Piura, then, I ended up conducting 18 semi-structured interviews – with both organised and independent farmers, as well as two persons from the management – and I also had one group interview. Further, I conducted seven observations in meetings and workshops, in addition to having around 10 informal conversations with farmers and different staff (See appendix 1 for an overview of interviews and observations). Of course, as I was present in the field more than during these specific situations, I had several informal conversations with staff and producers, and I observed many situations and phenomena that are not included specifically in this overview.

4.3.2.1 Limitations

There were of course certain limitations related to my selection of participants, These might create biases, and as such should be mentioned. Problems with a convenience sample, is

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18 These technical assistants, one in particular, became my gatekeepers. Thagaard (2003, p. 65) defines a gatekeeper as “a person who has the authority to open or block the access to an environment or an organisation”.
according to Thagaard (2003) that the participants who accept an interview are normally comfortable with such situations, and often, she claims, are the ones with a higher education. I felt that some of the participants I was introduced to were the ones who are more knowledgeable or represent the organisation in the best way. Often they were producers with a special task, for example the leaders. Still, I also interviewed participants who clearly stated that they found an interview situation unfamiliar and challenging, and some who would demonstrate lack of knowledge about many issues related to the organisation.

There are also problems with networking as a method. Nearly all the people I talked to were referred to me by someone within Cepicafé, and perhaps some have felt they needed to be positive about Cepicafé and that they could not express their true feelings to a foreigner who they associated with Cepicafé. However, I have certainly gotten answers that have been both negative and positive in relation to the organisation and different base associations, both from staff at the office and from producers.

I further encountered some difficulties in getting access to participants I felt would be relevant to include. One problem related to transport as I could only afford to use public transport. I had planned to conduct interviews in one specific Appagrop. However, after one trip it became clear that getting there was a rather problematic task due to very unreliable transportation, hence, I changed this Appagrop for another that was close to the two others.

I must also mention that I came during the harvesting period – which is highly labour-intensive – and I often found myself in the situation where I would come around to the farm (either as agreed on or to make an appointment) and the producer would be out in the coffee parcel, which could be hours away for some. I had intended to interview several farmers three times, but I did not get to conduct three interviews with more than two organised producers, and one I interviewed twice because the very last time I came to his house he was just arriving on foot from the mountains after a 12 hour working day, and I did not want to bother him. The independent farmers were also somewhat difficult to get hold of, as I wanted to get their trust by being referred to them, and I only ended up with one independent farmer (whose main income came from coffee) for semi-structured interviews.
In order to understand more of the producers experiences, as well as the dynamics of power within the organisation, I have collected different qualitative data, and in the next section I will present and evaluate the methods employed throughout my field work.

4.4 The Methods

Qualitative methods allow the researcher to gain direct experience of social practices in action, and interviews and observations can give different understandings of a situation (Smith, 2001). Hence, I used triangulation – a combination of different qualitative methods – as a way to collect data that covered different aspects. This has also allowed me to compare data from different sources in order to ensure a more rigorous analysis (Bradshaw & Stratford, 2000). I combined interviews, observation, informal conversations and secondary data, and I believe that this has strengthened my analysis. Despite certain limitations of the different methods, I have had a broader basis for evaluating my findings.

4.4.1 Interviews

The knowledge produced in an interview situation is my interpretation of the participants' subjective accounts that reflect how they understand and represent their worlds. It is as such a co-production of knowledge (Kvale, 1996; Thagaard, 2003). I wanted to look into empowerment by understanding how participants saw the potential increases in social power and gains in political power through participation, among other things. As such I needed to get their views on the different dimensions through more operational aspects of these, as was discussed in Chapter 3.

Throughout my research I predominantly used semi-structured interviews. These interviews could also be characterised as being individual in-depth interviews, which, according to Nichols (1991), are very good for allowing the participant to speak freely about what he or she cares about. A semi-structured interview is characterised by a prepared list of topics, but not prepared questions, and the researcher can thus phrase questions how it seems best in the situation, while also being able to choose the order of questions (Dunn, 2000; Nichols, 1991). As such, I was able to get some structured information, while by asking the questions in a less formal way it allowed me to seem more easygoing and less threatening. I believe that this made the participants feel as if I was not an expert that knew a lot already, and that
they could relax more.

To prepare a semi-structured interview, an important tool is the interview guide with different topics to cover (Kvale, 1996). I had designed interview guides for organised farmers I intended to interview three times, but as it became clear that I was not going to be able to do this with everyone, I also made a compressed interview guide that covered more or less the main areas from the three others. I also prepared specific interview guides for the staff in Cepicafé and the independent farmers (See appendix 2 for the different interview guides).

In the interviews where I interviewed a participant 3 times I started with an interview that mapped the situation of the producer, his or her family, the production, a typical day, other means of income and the their role in the association, topics which are not very threatening and which gives me an overview of their situation (interview guide no.1). In the second interview I had questions concerning my theoretical concept, social power (interview guide no.2). However, I needed to break it down to empirical concepts that would be understandable for the participants. Thus, I asked questions about the work load, the knowledge and skills gained through the associations and the income, among other topics. In the third interview I asked about participation in the organisation, the meetings, about how the producer felt about his or her situation, and also about poverty (interview guide no.3).

For independent farmers, some of the questions concerning daily routines were more or less the same as for the associates. Other questions focussed more on the reasons for not joining the Appagrop and the challenges of their role as small-scale producers (interview guide no.5). The interviews directed at the staff were more concerned with the organisation and service provision, in addition to the Fairtrade and organic markets, and these interviews took place in the staff members offices (interview guides no. 6 and 7).

One of the problems with not having very structured interviews, is it can be difficult to compare answers. I often experienced that we ended up focussing on aspects that were not on the list, while other times I did not feel comfortable asking some of the things I had prepared. This related especially to the questions related to self-esteem and confidence and was a result of my feeling that we had not established enough trust, as I will get back to
What became most clear to me throughout the interviews were the participants' 'multiple realities', “which imply potentially conflicting social and normative interests” (Long, 2001, p.19). These different realities were, I would argue, a product of their different backgrounds and perceptions, or as Long (2001) would characterise it, different knowledgeabilities and capabilities. My participants had different jobs, different homes, different socio-economic status, and there was also a discrepancy in their access to knowledge and decision-making. Such power differences among the actors in Cepicafé impacted upon their views of income and work, among other things. Hence, different participants' views on the services provided by the organisation, their motivations for being members, and the expectations they have for the organisation and themselves provided insight into conflicting interests. For example, some were only in it for the money, and did not care to contribute in other ways, while others were more conscious of the organisation requiring participation in meetings, and while some could understand that others did not want to partake in this, others could not.

4.4.1.1 Trust and rapport

In order to create trust, I tried to focus on small talk before, after and sometimes during the interviews, and we were furthermore always at the producer's house (this was also a necessity because the farmers had a great deal to do as they were in the harvesting period). I also asked politely when they themselves felt was the best time to do the interviews and the interviews were hardly ever much longer than 30 minutes as I did not want to disturb their busy schedules. I had also brought a digital camera, and I took pictures of the participants and their families, which they enjoyed very much. I then came back with printed copies to thank them for their help. In retrospect, though, I see that I did not gain trust and rapport to the degree that I had wanted. I still felt it was a setting where the participants felt rather reserved (Mikkelsen, 2005).

I also experienced that participants would tell me they were nervous about being interviewed, and one man told me after his first interview he had gotten scared and regretted about some things he had said because he did not know who I was. Thus, he had gone to the farmer who had put me in contact with him, and this, he told me, had reassured him. Also, when we talked about this I told him I would not use any of the information he had given
unless he wanted me to. We had a very nice conversation about our political views and he was very pleased, he said at the end of the second interview, and was not hesitant of letting me use his answers any more.

I had also anticipated that I would more easily be able to establish rapport with my participants through the interviews. Rapport with a participant is “[...] a matter of understanding their model of the world and communicating your understanding symmetrically” (Dunn, 2000, p.64). In other words it is about speaking the same language, which would allow me as a researcher to understand the participants better, but also create an easier tone between us, which again is important to create trust.

One aspect that affected the results of the conversation were my views and understanding of central concepts, which I believe, differed from that of the participants. This contributes to making my interpretations less reliable than that of someone who would be an 'insider'. For example, my view of poverty seems to have been different than that of the participants. I would ask about poverty thinking they considered themselves to be poor (because I did), and that they would tell me about that. However, in certain cases the farmers would avoid the question, and in others they would refer to the poor as someone else, someone who were different from them. It took me a long time though, to understand this. Using triangulation as a method, then, has been important to strengthen my findings. For example, through the use of secondary literature that describes how the local population views poverty, I have been able to better understand this phenomena.

The issues of trust and rapport also point to the questions of power relations among the researcher and research participants. If there is a reciprocal relationship, it means there is no power imbalance, but seeing as I have been in a cross-cultural context, I cannot claim that this was the case. It can be argued, that I in certain situations may have found myself in a potentially exploitative relationship with the locals, a relationship in which they might have wanted to give me information in the hope that I would be able to help them. There might also be situations in which they have not felt comfortable refusing me even though they have not been very willing to speak with me.

However, I was not always in a position where I had “more power”: when it came to interviewing, there were ways in which the participants, or my anticipated participants,
would be in control. For example, the producer I ended up interviewing twice (despite having agreed to three interviews) was not ready to be interviewed the last time, and he asked if I had not got what I needed through the previous interviews, and I replied that I had, despite preferring silently to do another interview. Another female producer I was eager to get an interview with was not very enthusiastic when I approached her, but we did agree on a meeting on a day when she said she would be at home. When I showed up, however, I only found her daughter at home and she told me her mother had gone to the coffee parcel and would not be back in a while. Hence, the producer had managed to indirectly say no and I did not ask her again, as I understood that she was really not comfortable with being interviewed.

4.4.1.2 Tape recorder
After the first round of interviews, I started using a tape recorder during my semi-structured interviews. I knew it would make the setting feel more formal, but after careful consideration I started using it when I realised that I did not manage to get proper notes from the interviews. I found it hard to take notes, while at the same time showing my research participants I was interested in what they said by keeping eye contact. I also realised that sometimes my assistant's notes were not much more extensive than mine. I noted differences and errors in what we had written and I felt it would be better to record the interviews (Kvale, 1996).

I always asked if the participants would mind that I recorded the interviews, which they said they did not, although I cannot be sure if it was out of politeness they said so. I also always told them that if they wanted me to stop it, or if they did regret, they could tell me. However, this seemed to surprise them and when I said Norwegian researchers have to follow ethical guidelines and that we do not want to do anything they do not agree with, some were surprised and said that no one cared about these things in Peru, and they expressed appreciation for this matter.

4.4.2 Participant observation
Another method I used during my stay was participant observation. There is sometimes a great discrepancy between what people say and what they do, and participant observation
can be useful to compliment the other more structured methods, as well as to gather contextual information (Kearns, 2000). Observation is also valuable to understand how actors relate to each other and how they interact, which was of great interest to me, as power relations among actors was a central theme (Thagaard, 2003). There are different levels of observation, and I conducted primary observations as I directly observed human activity. Participant observation in geography indicates that one engages in observation to acquire systematic understandings of a particular place and the researcher engages to a certain degree in activities with the participants (Kearns, 2000; Thagaard, 2003).

I participated in several producer meetings and workshops, and observation proved especially useful in these situations. One reason is that I did not only observe the ones who felt comfortable with the situation, nor only the more knowledgeable ones, but I got to see the dynamic interplay between producers with different knowledgeabilities and capabilities. For example, it revealed how the engineers and producers interact, which has been useful for my analysis of power relations (Mosse, 1995). It further gave me a better understanding of the comments from producers and staff about the time aspect in relation to participation, as it confirmed how these meetings were time consuming. I also got to understand better how there could be a discrepancy between the farmers statements of not having heard of Fairtrade, when I knew they had been to meetings where this was a topic.

Observation also proved interesting in relation to understanding how the producers live and work, and made it possible to derive information about the heterogeneous group that these members indeed are. Both in relation to how they work, but also in relation to their physical assets, such as housing.

I got access to association meetings first through my key informant and subsequently through the technical assistants that were helping the producers in matters concerning coffee production. All meetings were attended by staff from Cepicafé as well as the producers. The different kinds of meetings I was able to attend ranged from workshops explaining technical aspects of coffee production, held by someone who worked at Cepicafé, to the annual general assemblies in one of the Appagrops. In the assembly the producers decided on important organisational commitments for the following year. I further attended a zonal committee meeting in which they summed up last years activities and planned the next; and in addition, I attended two meetings where a Fairtrade company, Ethiquable from France,
visited to talk about Fairtrade and the marmalade business. The producers had recently started selling fruit for exportation in addition to their coffee.

In participant observation the researcher needs to establish a relation with the participants, which involves acquiring a certain role or status (Aase & Fossåskaret, 2007). One thing I believe affected all interactions was my position as an outsider. Mohammad (2001) talks about the distinction between an insider and an outsider. She speaks of it as a boundary which can be marked by identity, social position and belonging. Mullings (1999) claims that the insider/outsider binary is not an appropriate distinction. The critique is very much the same as the one applied in the earlier theoretical discussion about power (in Chapter 3), which relates to the more fluid way of looking at people's position in relation to each other. Still, I have chosen to use the term outsider about my position. Due to my nationality, physical appearance, education, language, culture and socio-economic status, in addition to the short period of time I spent in the field, I both felt as, and was treated as, an outsider during my field work.

Aase and Fossåskaret (2007) describes how a researcher can take on different statuses during a field work, and each status indicates that the research has certain rights and duties. During my participation in meetings and workshops with the associations, it quickly became clear as I was very much treated differently than the ones we visited. In all the meetings I was seated as the other producers on a chair or bench at the back of the locale while the president, secretary and technical assistant sat in the front. I was not anonymous, however, as they always introduced me and I had to say a few things followed by a round of applause. In a sense I was considered a guest, who was allowed to partake in the meetings to learn about the producers, but I was also expected to give of my self as a foreigner.

On my first trip to the highlands several people wanted to have their pictures taken with me, the women I talked to wanted to know about my blonde hair and even checked it to see if it was coloured. At lunch time when everyone were being served after the workshop, I sat on a chair and was served first along with the engineers. The rest of the farmers had to queue patiently with their plates, waiting for their turn. Further, the engineers from Cepicafé were always addressed as “ingeniero” (engineer) by the producers, and sometimes the farmers

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19 I was not the only one treated differently, my research assistant was sometimes asked if he too was Norwegian, and the extra attention given at meetings for example was also given to the engineers who held the workshops.
would address me too as “ingeniera”, but I was always quick to tell them I was not. The fact that I was addressed in such a way expresses a perceived distance between our social positions, which gives substance to my claim of being an outsider.

I recognise that my position varied in relation to the ones I interacted with, and that I have been less of an outsider with the ones I spent more time with or the ones I had more in common with. But still, I maintain that I in every situation have been an outsider to a certain extent – as a foreign young girl, a researcher and a guest.

Limitations to observation as a method can especially be related to interaction between actors as the research participants might have reacted differently when I was present (Thagaard, 2003). The leaders might, for example, have been more encouraging towards the members than usual. However, related to what happened and what was said during the meetings, I did not seem to be of much importance. There were many people there and I sat in the back, so except for the initial introduction and during the lunch breaks there was little attention directed towards me.

4.4.3 Informal conversations

One way to get somewhat sensitive information is through informal conversations and rumours. The value of such data should not be underestimated as they actually provide much information that the biases or constraints of formal interviews might inhibit. Being able to discuss more sensitive topics can relate to, and give a deeper understanding of power relations among actors in the organisation (Mosse, 1995).

During informal conversations the atmosphere was more relaxed than in formal interviews, especially with women while waiting for – or after – meetings. The women were very eager to tell me about their situations. I recognise that this kind of information might also be highly biased, but it complimented other information gained from interviews and observation. I believe it has helped shed more light on the different attitudes and opinions, as this was often where I would hear the negative aspects of the organisation. In formal interviews, if I asked about negative aspects, some would say that there were non. One of the drawbacks of such informal conversations is the fact that I did not take notes until after
the conversation was held. This means I sometimes forgot many parts of a conversation.

As mentioned, I had around ten informal conversations with different people, some were with individuals and others with small groups of producers. However, I have chosen not to elaborate more on the participants I spoke to under such circumstances, due to ethical considerations, to which I return below.

4.4.4 Secondary sources
To make a theoretical and conceptual framework, and to find contextual information, I have used secondary sources, some of which I collected during my stay in Piura, while others are found on the internet and in books and journals (Kitchin & Tate, 2000).

The information I gathered in Peru related to statistics and information about Cepicafé which I got hold of from Cepicafé's staff. I also found a book by Maria Isabel Remy (2007), published by Oxfam, which presented coffee co-operatives and associations, among them Cepicafé. Furthermore, at Pidecafé, which is the NGO that works closely with Cepicafé, I bought a publication on Cepicafé and organic farming, and they also provided me with studies on poverty in the region, published by Care Peru in 2001. These publications have all given me a better understanding of some of the observations I have made, and the information gathered through interviews.

Other articles and studies related to Fairtrade cooperatives have also been important to guide the interpretations of my own findings. For example, Raynolds, Murray and Taylor (2004), and also Anna Milford (2004), have all conducted studies among co-operatives in Mexico. Several of their findings are similar to mine, which I believe gives more substance to the claim that my case study can indicate some more general concerns about producer organisations.

4.5 Analysis
Analysing and presenting the data collected during a field work means one is creating new knowledge through interpretation, and there are many analytical choices one must make. The process involves constantly moving between empirical findings and theoretical

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20 This was, according to staff in Pidecafé, the most recent study assessing poverty in the region.
concepts while rearranging them into different categories in order to create an understanding of complex matters and of the participants' multiple realities. The analysing process can roughly be divided into three main parts; the transcribing, the coding and the interpreting of the data (Aase & Fossåskaret, 2007; Thagaard, 2003; Jackson, 2001).

During my stay in Piura I had help from my research assistant in transcribing parts of the data, and I compared the transcriptions he and I had made of the same interviews. As such I could verify the accuracy of my understanding and expand it, as my assistant would write down things I had not been able to get, but I also had observations and information that he had not written down. Transcripts from interviews with a tape recorder were written out word for word, with added comments about surrounding circumstances, and interviews conducted without a tape recorder in addition to observations are my accounts of what was said and done during the interviews.

In order to make sense of the transcripts it is necessary to code and interpret them, and categories are used to make sense of complex information (Aase & Fossåskaret, 2007). Thagaard (2003) claims that coding and interpreting are not really separable, because the coding is also based on the understanding the researcher is acquiring through the process, and as such relies on interpretations.

When analysing my data I went back and forth between coding and interpreting the material. I started coding the transcribed data based on the empirical concepts employed in my interview guides (such as work load and income) which again were derived from the theoretical concepts, social and political power. Further, I had to create categories to analyse the significance of these empirical concepts. Categories are “containers” into which we can place different concepts to make sense of them and also to evaluate them. Categories will always differ between persons and cultures (Aase & Fossåskaret, 2007). It became clear that I had different ways of categorising concepts than my participants, but also that categorisations differed between participants. For example, from the theoretical concept 'participation', an empirical concept 'attendance in meetings', was in my mind categorised as something 'positive'. However, this differed from some of the participants' categorisation as they would speak of this in 'negative' terms. They considered it to be too time consuming,
while for me 'participation in meetings' was an important necessity. Seeing that different concepts could be categorised differently gave me a deeper insight into the participants multiple realities, but it also proved that my reality was different than theirs.

Interpreting the different observations and interviews involve a double hermeneutic approach, as I interpret the subjective accounts made by the participants, which are again based on interpretations of their social worlds (Aase & Fossåskaret, 2007). Jackson (2001) emphasises how important it is to be aware of my positionality also in the process of analysing this data, so as to not use it to support own preconceptions. The interpretations I have made and the presentations of findings in my analysis, are then a result of how my understanding of both theoretical and empirical concepts has merged with the research participants' representations through interviews, but also through action I have observed.

Although this study says something specific about the situation in Piura as I have understood it, my interpretations create a basis for generalisability. As my interpretations are not only a product of knowledge created in the field, but on broader theoretical view points I believe the general conclusions made about for example power relations can be applied in a broader sense (Thagaard, 2003).

4.6 Ethical concerns

When we engage ourselves in other people's lives through research, many ethical concerns arise. First of all, it is important to protect the participants' privacy and anonymity and to all personal and intimate information with care (Kvale, 1996; Dowling, 2000). A researcher must also be careful not to cause harm to the research participants. This could be physical or social harm which could result from publicising sensitive information.

In my study, I have spoken to participants about sensitive and personal topics regarding their daily lives, the organisation and about their thoughts and opinions. I have had to take care in making sure these can not be traced back to the participants’ real identity, hence, I have been careful about the description of places and people that can be revealing, and I
want to emphasise that I am using pseudonyms throughout the thesis, except for the two managers from Cepicafé and the president of Cepicafé. I am using their last names, as their positions are official and not related to any specific Appagrop.

I have also been trusted with sensitive information of a character that has led me to decide not to share it in my research at all. As I speak of power relations among actors within the organisation, there is also some sensitive information that I have chosen to share, but I am not pinpointing it to a specific participant. Even though I use pseudonyms, in these cases I have felt it has not been sufficient to protect certain participants' identity. As a result, then, throughout the analysis all the participants might not seem as present as I would have liked. I have weighed these concerns, however, and found that it is not pivotal for this paper to clearly express who said these things.

It is, furthermore, important that the participants are fully aware of the researcher's intentions and research objectives so they know what they are participating in before they agree to take part. I explained to my participants what I am researching and the expectations I have to them. I also made sure they understood that what they say and do can be included in my thesis and, also informed them that they could withdraw whenever they wanted to without any repercussions. This is called informed consent (Kvale, 1996; Dowling, 2000). I also contacted my key informant to let him in on the conclusions I was making during the writing process.

Smith (2001, p.26) claims that “how we and our research become a part of peoples lives [...] poses both an ethical dilemma and a political opportunity”. As a researcher I am in a powerful position because the knowledge I create through my research has the potential to change the way that the world sees my participants and their lives (Dowling, 2000). This has been an especially important aspect for me, and it has greatly challenged me and occupied my mind all throughout the research process, especially as the research has revealed circumstances I did not expect and that took me by surprise. One such discovery was the fact that many farmers did not know very well what Fairtrade is, and I must admit (as a reflection of my positionality) that I have dedicated substantial space for this finding in the analysis.
As noted, qualitative research is created through personal interactions between human beings but it is I as the researcher who, in the final instance, have the power to portray a situation as I choose. So I have tried as best as I can to act with respect and consideration for my participants, and I have strived to reproduce their information in a manner as “true” as possible.

4.7 Summary
Through the use of qualitative methods, such as interviews and observation conducted during my stay in Piura, I have produced new knowledge in co-operation with my research participants, who are small-scale coffee producers and staff in Cepicafé. That is why I must be critical about my positionality and the effect I have had on the participants in order to evaluate this knowledge. Throughout this chapter I have in a critical reflexive manner discussed the relationship between me and my participants, with a focus on my positionality and on power relations and inter-subjectivity, in order to show the resulting impact on knowledge production. I have also emphasised the fact that this knowledge is a product of interpretations made by both me and my participants. The participants’ interpretations reflect their multiple realities and mine are based on theoretical and empirical understandings of the data mediated by my positionality. As it is I who in the ultimate instance present the findings, I have taken every care to do this with consideration for my research participants.

In the next two chapters I will conduct the analysis of my findings.
5 “The final settlement gives us hope”

commercialisation, credit support and technical assistance

The primary aims of Cepicafé are to improve quality of life for small-scale coffee farmers and eradicate poverty, as mentioned in Chapter 2. As a Fairtrade/organic producer organisation, it provides services related to coffee production that strengthens the members' resource bases. As was discussed in Chapter 3, one of the analytical units of empowerment, is that which is related to producers' productive resources, namely social power. This is a fundamental element to focus on, on the road towards empowerment.

In this chapter I am looking at how Cepicafé, through their three functional areas, are contributing to the strengthening of this power dimension. First, I will look at how the commercialisation process impacts on the producers. It is one of the most important contributions made by Cepicafé, because it provides access to export markets that can secure better deals and incomes, which is a source of hope for many farmers, as the chapter title suggests. The second functional area is credit provision, which for small-scale producers who harvest coffee only once a year, provides a crucial security net and allows for investments to improve production. Third, I will focus on how technical assistance and knowledge transfers are enabling improved production procedures, which are pivotal for the commercialisation process. The producers' views are used to shed light on the various actors' perceptions regarding benefits and challenges related to these services.

5.1 Commercialisation

The most important (and in certain instances the only) means of survival for small-scale coffee farmers, is of course their coffee. However, for reasons mentioned before (market volatility, limited access etc.), to be able to make a living that exceeds basic survival, many farmers in Piura need to export their coffee to markets that will give a higher return than the low quality coffee sold to middlemen on the local market. The access itself to fairer...
markets – such as the organic and Fairtrade – is not given, though, especially not for producers with limited knowledge about market and quality requirements. The management in Cepicafé, then, is working hard to secure access to export markets in order to create an alternative for the producers.

5.1.1 Market-access, income and long-term deals

The Fairtrade and organic markets have been crucial for the survival and existence of Cepicafé (Domínguez, 23/7). In 2006, 42000 quintales were exported to markets in the United States, Canada, Germany, Holland, Belgium, France, England, New Zealand and Italy (Cepicafé, n.d.). There has been a steady increase in exports since the mid-1990s. However, not all the coffee that is produced is sold to these markets, for different reasons: the markets are not big enough yet, so not all the coffee is sold as, let's say Fairtrade, although it is indeed produced under the same demands. When looking at figures from the Cepicafé 2006 annual report, we see that 67 per cent of coffee is sold to the Fairtrade market, while organic coffee sales constitute 57 per cent of the total (Cepicafé, 2007b, p. 9). The coffee which is labelled as Fairtrade/organic makes out 43 per cent of total export sales (see figure 5.1). In Cepicafé, even though not all the coffee is sold to Fairtrade markets, in the last settlement (the last round of payments for the coffee), the Fairtrade surplus is distributed equally among all the producers, to avoid conflicts and problems (Domínguez, 23/7).

It must be mentioned that not all coffee that is harvested meets the strict quality requirements for exportation, and as such farmers often sell a part of their crop to the intermediaries despite being members. Marcela (2/8) and her husband, for example – who own one hectare of land and produce four to five quintales a year – do not sell all their coffee through Cepicafé. They have problems with water shortage, and as a result some of the crop is not good enough and must be sold to middlemen. Hence, only around one to two quintales are fit for sale through the organisation. Also, coffee that has been damaged by the sun or has been attacked by plagues will not be exported, and farmers need to select these beans away. According to Calo and Wise (2005), who have conducted case studies in Mexico among Fairtrade producers, the quality requirements contribute to the exclusion of some of the smallest and poorest farmers, because they do not have the capacity to meet the
requirements. Still, such demands are necessary in order to expand exportation.

**Figure 5.1: total coffee exports to different markets in 2006 (Cepicafe, 2006, p.9).**

As can be noted, only 67 per cent is sold as Fairtrade. Still the Fairtrade surplus will be divided among all the producers. Only the producers who qualify for the organic market will receive the extra money from this.

Some producers, despite having grown high quality coffee, might also choose to sell some of their crop to intermediaries when they feel they cannot wait for the payment from Cepicafé. The stock up takes place only on set dates, and from the day coffee is handed in and to the day the producer receives the first payment, it might take about a week as the coffee must be sent to the processing plant and certain formalities must be completed (Rojas, 15/8). Such a delay in paying the farmers is, according to Milford (2004), a quite common feature in many co-operatives. Consequently, it is not unusual that producers sell coffee to the middlemen instead, as they will then receive cash instantly. Miguel, a farmer who holds ¾ hectares of land and who sold three quintales through Cepicafé last year, told me “I never sell to the middlemen, except when there is an urgent situation and I need the money at once” (12/7).

However, the local middlemen are not very popular, and selling to them is not always

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22 The stock up is when the organisation collects the coffee beans from the producers.
considered a good choice. The farmers who are not organised and whose only option is to sell to the local middlemen, feel powerless when it comes to this situation. Rosa (2/8), a research participant who is not organised, explained that the middlemen can pay low prices to the producers, because they have more power in the negotiation process. She told me: “[the middlemen] they trick us. We have to beg for them to buy our coffee. [...] we do not know the market prices”. On my question of how this situation makes them feel she said it makes them feel insecure. For the organised farmers, then, they have at least in most cases, the power to make a choice of whether or not they want to take the lower offers from the middlemen, or sell through Cepicafé. I will argue that having this choice is an important aspect of the empowerment process.

When speaking of the income, this is a very hot topic in relation to alternative markets, both among those studying these markets, but also among the farmers themselves. In my interviews with different producers, the answers I got when asking if they earned more after they became organised varied and as such it was difficult sometimes to know. However, all of them would give higher figures for coffee sold through Cepicafé than to the middlemen23, but the expected price to be paid from Cepicafé in 2007 was around 280 soles per quintal for conventional coffee before the final settlement (Dolores, 5/7; Rojas, 15/8).

Gabriel, who is an active member within one of the Appagrops and grows coffee on two of his five hectares of land, told me that his annual income from coffee is now around 1000 soles24. He considers this to be an improvement, and he said “I did not have this kind of income before I joined Cepicafé” (4/7). He told me that he spends the surplus money on improvements in his coffee parcel in order to improve production. Gabriel produces organic coffee, which adds 10 dollars more to the price than the ones who are selling “conventional” coffee, that is, coffee which will only receive the Fairtrade price25. Ernesto (26/7), an Appagrop president also answered that now that he is organised he earns enough, but that he would not if he was still independent.

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23 The price paid by the middlemen vary according to how the beans are sold, whether they are sold with the skin or without etc.
24 1 Nuevo sol, which is the Peruvian currency, equals US$ 0.365, as of April 22, 2008.
25 When farmers told me about the different markets, they would refer to them as “conventional” and “organic”. The term conventional gives the impression that this coffee is not a specialty coffee at all, while in fact this coffee receives the extra money from Fairtrade.
Not all the producers are as pleased with the income they receive from Cepicafé, though, and this especially relates to the small differences in the price offered by Cepicafé and local middlemen, and the fact that selling coffee through Cepicafé requires more work due to the quality requirements. The Fairtrade price is fixed and not market-driven, hence, when the world market prices are low, such as under the coffee crisis, that is when the farmers will get maximum output from selling to the Fairtrade market (Calo & Wise, 2005). On the other hand, when the world market prices are higher, selling through Cepicafé is seen as less interesting, as the minimum is not much higher than world prices, as mentioned in Chapter 2.

The general director in Cepicafé told me how the money is distributed to the producers: after the stock up the money given out is an amount more or less equal to that of the local market. However, if the price on the free market is low such as it was around 2002, then Cepicafé will have to pay more to comply with the minimum price standards. In 2006, the price given out after the stock up was close to the price on the local market. Thus, Conchita, an elderly organised female producer I spoke to while waiting for a meeting to start, expressed that: “it doesn't feel as if its worth it for me to work this hard when they don't pay us more than the middlemen do” (26/7).

According to Calo and Wise (2005), high prices on the free market, then, are a challenge for the Fairtrade and organic markets and for organisations such as Cepicafé, because they might lead to members selling their crop to the middlemen instead, seeing as their price is competitive, the requirements are fewer and the payment happens instantly. This creates a problem for the organisation as it relies on receiving enough coffee for exportation, and it also creates problems for the buyers who are engaged in long-term deals with the producer organisation.

However, the price given out after the stock up is not the final price. The final settlement takes place at the end of the season. This is when the surplus income from exportation is distributed among the producers. The amount they will receive in this settlement will be a result of how much coffee they have sold, whether it is certified as organic or not, and how

26 This is the first round of payments, the price is estimated so it will be in accordance with the free market.
much credit debt has been subtracted (I will discuss the credits below). Through conversations with producers, I got the impression that some had a problem understanding the payment system. Even though a few farmers expressed discontent with the prices paid after the stock up (which they would refer to as the price), one of the benefits they did acknowledge was the final settlement, although seeming to think of this as something separate. For many farmers, this is a very important payment as it arrives at a time when there are no other incomes. In a conversation I had with a small group of women after a meeting, we were talking about the prices of coffee. The women said they were not too impressed with the prices paid for the crop, “but”, one of them told me, “the final settlement gives us hope” (informal conversation, 27/7).

One of the arguments for Fairtrade is, as was noted in Chapter 2, that it secures stable, long-term deals between the producers and the buyers. However, when I was speaking to the producers, many did not seem to be aware or interested in this. Long-term security is not an explicit issue, it was never mentioned as a benefit in any of the producer interviews I did, and in one case when I was talking to some farmers about Fairtrade after the meeting with Ethiquable, I told them about this aspect, but they did not express previous knowledge of this. For the staff in Cepicafe though, this was a more explicit benefit (Domínguez, 23/7). Calo & Wise (2005) have also come to the conclusion that the long term benefits are not necessarily more tempting for farmers in desperate need of urgent money, nor does a feeling of loyalty to the organisation prove to be very decisive, they claim.

As seen from these discussions on income from coffee, and as will be shown further in the discussion on credits and technological assistance, it can be argued that the benefits are perceived differently by the producers, and this might also relate very much to each person's agency; their personal characteristics, size of land and crop output, and knowledge among other things (I will discuss the relevancy of knowledge more in depth in Chapter 6).

5.1.2 Diversification
By getting access to export markets, there is also another possibility opening up, namely that of export diversification. For farmers whose main income derives from a product that is highly susceptible to changes in climate and market fluctuations, diversification into
agricultural products with other characteristics can prove to be an important strategy to reduce vulnerability (Bacon, 2005, citing, Sick, 1997).

In those regions where Cepicafé is represented, there are many agricultural products being grown, albeit mostly for subsistence. Sugar cane, oranges, passion fruit and lemons are but a few crops commonly produced that have export potential. The professionals in Cepicafé are very well aware of the insecurity that comes with focusing on only one crop, such as coffee. They have started to work towards export diversification and, as mentioned in Chapter 4, a French company of Fairtrade products, Ethiquable, has started to sell marmalades from fruit grown in Peru (Ethiquable, n.d.).

Oranges are an example of a crop that most farmers grow, which can be exploited in order to contribute to an increase in their income. One of the benefits of oranges is that they can be harvested several times a year, unlike coffee. Today, they are mostly grown for consumption, but what is sold on the local market will normally only give around two soles for 100 oranges, while the price if sold through Cepicafé with the purpose of becoming marmalade, will be around eight soles per 100 oranges. To the producers this price difference is seen as substantial, as I derived from interviews and observing meetings where the case was discussed. However, at the moment there is still a lack of capacity within the organisation to process a larger amount of oranges, so each farmer does not have the opportunity to sell much, nor did each Appagrop get the chance to deliver oranges this time around.

At a meeting with the representatives from Ethiquable, the producers were presented with the finished products made from fruit, and the representatives told the producers how popular these marmalades are in France. The atmosphere was hopeful and some of the producers took the word during the meeting and expressed a wish to sell more. It was stated by the technical assistants that this area of exportation is becoming a priority and one technical assistant is appointed to only handle this area in order to focus on training to improve the quality of fruits. The quality requirements are strict, and the producers need to learn and understand the importance of caring for the fruit and protect it against plagues and insect attacks. The marmalade processing plant is to be expanded with more workers so it
can process more, and as such the producers will be able to turn in more fruit than what the current situation allows.

5.1.3 Social support through alternative markets

Commercialisation and the access to the Fairtrade and organic markets do not only open up the opportunity for a relatively higher and more stable income but it also provides support in other ways, such as different kinds of social support and the strengthening of the organisation through the Fairtrade premium (Murray, Raynolds and Taylor, 2006). In Cepicafé they have created social programs such as the Fondo Mortuorio (the Death Fund), which gives US$200 to the family of a member in the case of death (Cepicafé, n.d.). This is one of the extra benefits that was often mentioned in conversations with producers.

Another social service, which is a result of the premium, are the scholarships for university education given out each year to two sons or daughters of producers (Cepicafé, n.d.). This support can arguably strengthen some producer families’ human resources, as higher education can lead to the children getting jobs outside of agriculture, and as such have a chance of raising their income.

However, there are also limitations related to these scholarships which deserve to be mentioned; so far, only two persons will get the scholarship every year. This has also created some doubt, and how this arrangement benefits the producers is questioned: In a zonal committee meeting (10/8), one member was asking where the money from Fairtrade went, seemingly indicating that not all the producers did benefit. He used the scholarships as an example, and suggested that the children who obtained the highest scores, and consequently were the ones who won them, were the ones with the “right” family names. In addition there seems to be little knowledge about these scholarships among producers. I will, however, address this issue in further detail in the next chapter, when I will analyse the information and power flows within Cepicafé.

When exporting to alternative markets, the producer organisations are in addition to receiving social support, confronted with social demands. The social standards that must be complied with, I will argue, deserve to be mentioned as an important benefit to the producer
families. Workshops that the technical assistants hold to inform about gender equality, child labour, violence against women, children and animals, are important in that they certainly contribute to raising quality of life for these groups.

Some women for example, say they are now able to participate outside the home. Peru is, as many other Latin American countries, characterised by a high prevalence of “machismo”\(^{27}\). When speaking to some of the female coffee producers after a meeting, I learnt that they felt that things were changing in the relationship between men and women: “now we can participate in the meetings, before our husbands would say “no, why should you go”, but now we can, and we are very happy about that, because now we can learn new things too” (informal conversation, 27/7).

The Fairtrade premium is also to be used for organisational strengthening (Rojas, 15/8). It has been decided that some of the money should go to the zonal committees, which are meant to improve the information flows between the different organisational levels within Cepicafé, and as such can contribute to strengthening producers' political power, as will be be further discussed in Chapter 6.

5.2 Credit support

Higher incomes are important to raise living conditions of a producer. However, due to the characteristics of coffee production, income is not regular, but seasonal. Thus, the provision of credit support can be crucial for the survival of a producer family, and for the further improvement of production procedures. Credit support is one of the most valued benefits that Cepicafé provides to producers, as many struggle with small and irregular incomes and because they are dependent on cash inputs in order to improve their coffee parcels. Conversations with several members revealed that credit provision is sought after and seen as highly important support (informal conversations, 26/7 and 27/7; Conchita, 2/8; Dolores, 1/8). One woman I talked to who is not a member of Cepicafé also mentioned credit provision as the primary benefit when I asked her what she thought Cepicafé could offer (Rosa, 2/8).

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\(^{27}\) One definition being that machismo is a “joint set of ideas, attitudes, habits and traditions which maintain that men are superior to women” (Puntos de Encuentro, 2004, p.2, the translation is mine).
The loans that Cepicafé provide are primarily loans to help the farmers outside of the harvesting season (Cepicafé, n.d.; Rojas, 15/8). One kind of credit is called a sustainability loan and covers the period between January and March. Coffee is special in that it is normally harvested only once a year and this leaves the producers in a difficult economic situation during certain parts of the year. During winter it rains a lot and there is not much to grow, and consequently no income from production. Hence, the loans received in this period are useful for necessities such as food, clothes and also to cover expenses related to children's schooling, among other things (Rojas, 15/8; Miguel, 12/7; Dolores, 1/8).

There is a further loan to prepare for harvesting. Also, during harvesting it might be necessary to hire unskilled labourers to help as the coffee needs to be picked within a short time when ripe. At 10 soles per day, which is the normal pay for eight hours work, this would be very difficult for some unless they received a loan. Hence, to avoid that the farmers sell their crop off to intermediaries before harvesting, and to be able to maintain production standards through rigorous procedures, loans are provided. For larger expenses, such as buying new terrain, or also for an Appagrop to invest in infrastructure, there exist long-term loans (Remy, 2007; Rojas, 15/8).

If something unexpected occurs, such as an illness, the producers can take up emergency loans (Remy, 2007). These are perceived as an important form of security by some, and in an informal conversation with a small group of female producers, one of them made it evident just how crucial the access to loans can in fact be to them:

Producer: - “I have a lot of debt now. That's because I was ill. [...] If not, I could not afford medication”.

Me: - “So what happens to those who are really sick and cannot get credits through Cepicafé, for example?”

Producer: - “They die ...”.

Most credits are distributed in the way that the president of each Appagrop asks the different members how much credit they want and then solicit the loan from Cepicafé. As it is the Appagrop's collective responsibility that members repay their debts, the Appagrop will
decide whether they believe a producer has the capacity to take up the amount he or she asks for and each producer can normally only take up credit loans according to the amount of coffee they sell through Cepicafé (Rojas, 15/8). As such, a farmer who only sells around three to five quintales will only be able to take up smaller loans of more or less 200-300 soles, according to the producer, Miguel (12/7), who only sells this much. On the other hand, Jorge (13/7), a producer who sells 60 quintales a year, says he can receive around 2000 soles in loans to support the education of his children, among other things.

Such a practice is obviously to ensure that loans will be repaid, and problems can arise when producers do not repay their debts. That is, they might not deliver coffee to Cepicafé and this results in the organisation not being able to retrieve their money. These kind of situations create tension when the Appagrop must take responsibility to repay the money, which in practice means the outstanding loan will have to be covered by the other members. As such it is important that the Appagrop can create a balance between trust and control to prevent and to handle these matters. I will provide a more specific example of this in Chapter 6.

Due to existing power relations, development interventions might actually exacerbate differences among actors, says Cornwall (2004). Hence, when we see that there are very different socio-economic levels between the members, we can ask ourselves whether these inequalities are maintained, or even increase when actors get access to the services provided by Cepicafé, such as credit provision. It is interesting to note how the richer farmers will be able to use the credit system to a greater extent than the ones with less production, and this gives them a better foundation for increasing their social power as they have more means to improve production and crop output.

The richest ones I spoke to told me their production had increased substantially after joining. Carmen (2/8) for example, has since she joined the organisation, doubled her production – from 30 to 60 quintales per year and both Carmen and Jorge (13/7) told me that with the money they earn they buy themselves new terrain and cattle. In addition, Jorge, for example, has five unskilled labourers working for him. For the smaller farmers, however, the payment and credits they get are not always enough to improve production
substantially and they can only look to the future and hope for an improvement: “[...] one has hope. It seems it will be better even though it requires a bit more activity and hopefully this year the prices will be regular and can support a bit more to keep improving the parcel [...]” (Miguel, 12/7).

As has been discussed so far, through both income and credits, the farmers in general have access to financial means that seem to contribute to a more stable situation, although the benefits are both distributed and perceived somewhat differently among actors. Still there are other ways that Cepicafé contributes to increasing social power, namely through assisting the producers with improving production procedures.

5.3 Knowledge transfers and technical assistance

An important feature of specialty coffees is the high quality. This is what, along with social and environmental standards, makes the buyers want to pay a little extra for the coffee. These coffee markets require a minimum standard, which means the producers must put much more effort into production techniques. Cepicafé’s technical staff works to teach the producers how to improve the quality of their coffee. Through different activities such as workshops, training and field trips, the producers learn more about production (Cepicafé, n.d.). The access to technical training is according to Murray et al. (2006) an important contribution to improving the situation of small-scale farmers as it leaves the producers with important skills.

5.3.1 Production cycle

Producing high quality coffee requires a lot of work and in order to qualify for organic certification it is even harder. Some farmers actually do not wish to grow for the organic market as they feel it is too much work (Pidecafé, 2001). I will give a brief overview of the production cycle in order to show how important the technical assistance in fact is, and the amount of work required to produce high quality coffee.

The pre harvesting period runs from around April to June. Even though there is no harvesting during this period there are many other activities to engage in. The terrain needs
to be cleaned, new coffee and shadow trees planted, and the farmers must apply organic manure. The trees also need to be protected from plagues and insects, preferably all year around. When the harvesting period starts, ripe berries must be picked within a limited period of time and many producers find it necessary to hire unskilled labourers (peones) to help out. As was touched upon before, this can be seen as a difficult cost for the farmers who produce very little (Marcela, 2/8; Conchita, 2/8).

After harvesting, the berries are put in a basin of water, the berries that float are selected away while the rest has its outer pulp removed before the beans are left to ferment for around 18 hours. This is an important step to assure better aroma. Afterwards, the sticky protective coating that is left is washed off. This is hard work, especially for the oldest producers, I was told by Conchita (2/8), who claims to be one of the oldest producers in her Appagrop. After being washed, the beans must be put to dry for around 10 days. However, with better techniques (such as by using the shelters that I will talk about below) this process can be done much quicker. When the beans are dry, the farmer must select away all beans with faults before they are collected in bags and stored in a place where animals or bad odours cannot reduce the quality until the stock up.

5.3.2 Focus on high quality coffee

In Cepicafé, high quality is a repetitive mantra guiding and inspiring the producers to be more concious and careful in all parts of the production process, from pre-harvesting to post-harvesting. However, it requires training and improved methods of production, and many farmers have not had such a focus before joining the organisation. Miguel explained it to me in this way ”[…] the one who buys wants something good and he won't buy something bad. Well, if I was offered something bad, I would change and look for something better. And now, with the training they are giving the organisations and the farmers, now we are understanding this”. “Before we did not know this, we said 'it's coffee, we have to sell it as it is', and some friends who are not in the organisation they still understand it that way” (Miguel, 27/7).

However, Miguel was not the only one who emphasised this training as one of the primary
benefits of being a member. When I asked the producers what the major changes in their lives have been after joining an association, most of them answered that they have learned more about how to improve production, and some said this was the main reason for joining the organisation (*Carmen, 25/7; Ernesto, 26/7; Jorge, 13/7; Marcela, 1/8; Miguel, 12/7*). Hence, it appears that the training and assistance provided by Cepicafé is highly valued.

### 5.3.2.1 Strict production requirements

When selling to alternative markets, there are as mentioned strict requirements that dictate production, especially in relation to organic certified coffee. There are numerous rules to follow, as was presented in Chapter 2, and there are both internal controls within Cepicafé as well as external controls to make sure the farmers are complying with the rules (*Jorge, 1/8*). The farmers need to be taught how to meet these standards, and how to improve the quality of the coffee.

For example, in workshops they learn how to identify different kinds of malnutrition in plants. From looking at the leaves, they can assess what measures to take to counter or prevent further damages, and they also learn techniques to control plagues, which has been a widespread problem for many farmers (see figure 5.2). In addition, there are workshops and bulletins dedicated to the topic of how to improve harvesting methods. For good quality beans, the picking itself should be done in a specific way and the producers are taught the importance of picking the beans in the right way. This includes only picking one berry at a time, and only the ripe ones. Farmers who are not selling to the quality markets will pull off all the berries from a branch in one go, and as such sell a crop with much lower quality. The post-harvesting methods are also important to ensure that the quality is good, as was described earlier.

The mentioned focus on quality has become so dominating, that from 2008 the farmers will receive payment according to the level of quality of their beans as an incentive to improve production procedures. The quality control takes place after the beans have been collected and before they are exported. At the processing plant in Chiclayo the staff takes a quality

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28 During my stay in Piura Cepicafé sent their coffee to a processing plant in Chiclayo, but it has now been replaced by the newly built plant in Piura, which belongs to Cepicafé.
check of each farmer's beans from sample bags with the producers name and Appagrop. As such it can be followed up more closely who are not doing well and vice versa, so that the specific problems can be dealt with. If some of the beans are not good enough, they must be mixed with better beans to create an approved blend. This requires much more work, and for that reason it is important that both the technical assistants and the producers themselves understand the necessity of delivering beans that are as good as possible (*Staff from Cepicafé, 30/6*).

![Figure 5.2: producers](image.png)

**Figure 5.2: producers**

*learning about nutrient deficiency in plants.*

### 5.3.3 Caring for the environment

In addition to the higher quality that a careful production procedure leads to, there are also environmental gains that are considered important by many producers. Environmental degradation and climate change have posed a serious threat to coffee producers and many report erosion among other consequences as having affected the crops in a negative way (Pidecafé, 2001). In interviews, the farmers expressed that they are glad to learn procedures that are environmentally friendly and that can contribute to a more sustainable production (*Ernesto, 26/7; Miguel, 12/7*).

### 5.3.4 Tools

In order to improve production procedures and make them more efficient there are several tools that can be used. However, for most small-scale farmers it can be difficult to gather

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29 The persons in the picture are not any of the mentioned research participants.
enough money for tools, such as for example the coffee pulper machine. This is the machine that removes the pulp from the coffee beans, and beans that are sold to middlemen without the pulp will give more money than the coffee beans that are sold with the pulp (to Cepicafé the farmers can only sell the coffee without pulp). It must be mentioned that many independent farmers often sell their coffee without removing the pulp, because it demands less work.

Many associates have bought individual coffee pulper machines (see figure 5.3). These are manually driven, but much more efficient than if the farmer was to remove the skin by hand. Some have not been able to afford one, but can enjoy using other members' machines, or also certain Appagrops have acquired one. One of the Appagrops I visited has gone one step further: they have taken up a loan, as well as having been sponsored by Cepicafé, in order to invest in an automatic coffee pulper machine. This large machine is combustible-driven, and is much more efficient than the smaller manual ones. However, when I visited the Appagrop the machine had been standing there without being used for quite some time. The farmers told us that one man had been injured using it, and so it seemed that they were not to eager to operate it.

Drying the beans can be a long process and, sometimes this part of the production cycle can reduce the beans' quality, as they are sometimes put on the ground and come in contact with animals and dust. To improve this step in production, shelters – which are built with a net above the ground on which the beans will be put to dry and a plastic roof – serve to limit impact from the environment that can cause bad odour in the beans. The plastic roof further serves to reduce the drying time.

As a member, it is not only the acquiring of tools that make the production procedures easier and more efficient, but it must also be mentioned that the social organisation in the Appagrops contribute to this, as many farmers help each other out. While I was in Piura I got several examples of this. One example is with the internal controls for organic certification, while another was when they got together to build a shelter to dry coffee beans for a producer who was in hospital.
The coffee pulper machine is used to remove the skin from the coffee beans. The beans are poured into the machine on the top, and by turning the handle the beans will come out as shown in the picture below.

Figure 5.3: Coffee pulper machine

The coffee beans just after the skin has been removed. They are sticky and will be saved for 18 hours to keep the aroma, then they will be washed.

Figure 5.4: Coffee beans
5.3.5 Work load

One of Friedmann's (1992) bases to social power relates to surplus time. It is debatable whether the kind of assistance given in Cepicafé gives more surplus time, as well as whether there is a need for more surplus time. In relation to production, some say that they now have a more organised routine, not only on a daily basis, but also on a yearly basis (Miguel, 27/7). As coffee is harvested only once a year, many farmers did not spend much time in their parcels outside of harvesting season before they became associates and had to care for the quality. Now they have a work plan that puts them to work throughout the year. As mentioned, there are several activities linked to organic production which are spread out in time during the production cycle (Pidecafé, 2001).

Some express positive sentiments towards more work as they feel they are more organised in their daily lives (Ernesto, 26/7; Miguel, 27/7). I believe that psychologically speaking, this can be important as it makes the farmers feel useful and productive. However, as will be discussed below, there are also those producers who feel that the amount of work required does not stand in relation to the actual income they receive from this type of production.

The extra work is not just related to the strict production procedures, it is also expected that every member of the Appagrop attends all meetings and workshops held. The meetings are a very important part of the organisation because they are an arena of knowledge transfers, in addition to being an arena for expression and decision-making. I sat in on Appagrop meetings in which decisions such as what to do with inactive members and how much new members should pay, were made. I also observed workshops where the producers were taught basic accounting skills to ensure that the process of delivering the coffee to the central would be understandable and transparent, and further, meetings in which they received information about what an association is. Meetings, then, deal with important aspects that is related to different knowledge and decision-making. However, there are often farmers who do not attend them for different reasons. But what I will say here is that it is more difficult for those farmers who live and/or have their coffee parcel several hours away from where the meetings are held, which further reduces surplus time if they go.

Appropriate information is important to strengthen social power (Friedmann, 1992). I have
already shown how the farmers receive training in production procedures and other areas, and how this kind of knowledge is highly valued and, at least for some results in an increase in crop output, while for others it is a source of hope. However, there are several areas linked to decision-making and spending that I feel are important to scrutinise, but I will in the next chapter go more in depth with knowledge and information flows, in order to ease the discussion on how this relates to political power.

5.4 Summary
In this chapter I have presented the services and functional areas of Cepicafé: commercialisation, credit support and, technical assistance and knowledge transfers. Arguably, there are many aspects that improve for those who take part in Cepicafé. But as can be seen from the different discussions, the producers do not all have similar views of the benefits. It can be seen that there are differences in outcomes, for example in the amount of credit support each farmer is eligible to receive. As social power can also impact on a person's access to political power through participation, it is interesting to look further into this aspect. In the next chapter I will turn to the discussion of participation and decision-making. To recapitulate what I defined as empowerment in Chapter 3, empowerment can not only be perceived as a result of higher incomes, but must also be related to decision-making and radical transformation of one's situation through participation. By entering Cepicafé, there is opening up an arena for decision-making which in return can increase the producers' influence over services that strengthen social power.
6 “In decision-making we are all equal”

Participation, power and information flows

“The processes and structures through which an economic activity operates need to be deliberately designed to create opportunities for an empowerment process to happen” (Rowlands, 1995, pp.105).

As I have already discussed social power increases within Cepicafé I now turn towards the dimension concerned with political power. Empowerment can not stop with the improvement of an economic situation, but it must also involve the individuals' access to decision-making. As such it can give the marginalised power to change their circumstances, as Rowlands also emphasises in the quote above.

As stated in Chapter 3, I understand political power as an element of, and a road to empowerment for the members of Cepicafé at two levels; individually inside the organisation, and collectively towards the world outside of Cepicafé. I believe both levels need to be targeted to change underlying circumstances and causes of poverty. The first part of this chapter, then, focuses on the power relations and participation concerned with issues within Cepicafé. The organisational structure, as presented in Chapter 2, is built on democratic principles of participation at all levels, but participation might still be restricted by a lack of access to information and knowledge that is necessary to make informed choices, as well as by existing power relations among actors. I will also look at certain external forces that can be seen to contribute to the producers' disempowered roles, and I will discuss some of the possibilities and limitations that Cepicafé has as a collective actor to engage with these matters.

6.1 Participation and political power in Cepicafé

For Cepicafé to be a social and political arena for change it is crucial that the members actively participate to shape the actions undertaken by the organisation. In her paper on Fairtrade co-operatives in Mexico, Milford (2004) emphasises that such organisations belong to the members, who must take responsibility in monitoring the leadership and
professional management, so as to uphold transparency, accountability and good management practices.

The organisational structure, as presented in Chapter 2, is built on decision making and participation from the Appagrops and up to the executive level. The producers in the Appagrops are the owners and the ones who have the power to make decisions, with regular meetings, and elections of representatives at all levels (Cepicafé, 2007b; Remy, 2007). At least in theory each farmer has a chance to impact upon the decisions concerning his or her livelihood. Through interviews several farmers themselves confirm that this is the case, and when being asked who has more power in the organisation, it is seen to be the producers themselves. One farmer told me that “Cepicafé, that is us. We are the owners [...] The ones who are there in the offices, they work for us” (Jorge, 1/8). Further, as the chapter title suggests, Jorge, who is the man behind that statement, also considers all members to have equal impact on decisions.

Although this kind of feedback suggests that at least certain farmers perceive that they are the ones who hold the power within the organisation, it can be interesting to ask whether it is in reality as accessible to all members through participation. Are all the producers really in a position to make informed choices on matters which affect them and their associations? I will suggest that this is not fully the case.

First of all, it is important to understand motivation as an important factor that impacts on participation. Within the concept of agency lies the ability to make judgement calls and to decide one's actions. One of the problems in an association such as Cepicafé is the problem of free-riders: for many the motivation to join is only to get more money from the coffee and access to credit is also attractive. Even though the main focus of Cepicafé is service provision, the farmers are the owners and need to contribute in monitoring and shaping the decision-making processes (Milford, 2004). However, to join and make an effort to produce organic coffee requires a lot of work and, in addition, the requirements to participate in meetings might just seem as too much of an effort and perhaps the farmers do not always see the direct benefits of this kind of participation. For them the main goal is to harvest a lot so they earn more, and then in the short run the extra efforts spent in the parcel might seem more worthwhile than attending meetings.
In conversations, several producers labelled the lack of participation in meetings a problem for the organisation. However, when passive members were mentioned in some of the meetings I attended, what seemed to be a bigger problem than those not coming to meetings were the ones who did not sell their coffee through Cepicafé, but instead went to the middlemen. In a sense, political power might not be thought of as important by certain producers, as long as the resource bases, or social power, can be increased.

Motivation can not be seen as a sole explanatory factor for why producers might not participate in decision-making though: as I will continue to discuss, knowledge and power relations impact on participation and the access to political power for the producers.

6.2 The power of knowledge

I will argue, that central to the question of participation as a road towards political power for producers in Cepicafé, is the acquisition of information and knowledge that is related to decision-making, commercialisation and production processes. Knowledge is the sense an actor makes of the information he or she receives. As such it is not only the provision of information which must be scrutinised, but also in what way information is transmitted and, the context in which it becomes knowledge (McFarlane, 2006). In Chapter 5, I already showed how information and knowledge related to production processes is seemingly understood and appreciated by producers, but information concerned with decision-making and the commercialisation processes need also to be looked into. As mentioned, Friedmann (1992) sees social power as leading to political power, and I will argue that without a certain level of appropriate knowledge and information in these areas too, the choices these producers are to make which directly affect their lives can easily be manipulated, or even omitted.

6.2.1 Information flows and decision-making

The way Cepicafé is structured, information is supposed to flow easily between the different organisational levels. However, during my field work, I encountered several indications and comments which suggested that there are weaknesses in some of the links between levels. Murray et al. (2006) have conducted an interesting study on problems encountered by
Fairtrade cooperatives and done seven case studies on Fairtrade cooperatives in Latin America. They found that in a number of cases the management has not prioritised to share information which can foster informed decision making among the producers, in order to instead put focus on management efficiency. This might just be the case in Cepicafé as well.

In Cepicafé, it is not only the management in the social enterprise who are in a position to make decisions and share information. The leadership in the member organisation is the central committee, and they are the producers who are closest to the managers, as they are responsible for administrative work at the office in Piura. Also, the delegates from each Appagrop who partake in the annual general assembly become the messengers and voices of all producers when they are elected. These are positions with a lot of responsibility, then. The delegates must not only speak on behalf of the producers when decisions are made, but they must also ensure the producers receive information about the results. For this reason, it can also be difficult to establish exactly where the weaknesses in information flows appear. My knowledge on this issue is limited, but it is an aspect that deserve to be investigated further.

One of the decisions made regarding the spending of the Fairtrade premium is that it should be used to strengthen the organisational structure of Cepicafé, and hence, it has been decided that it should be used to strengthen the zonal committees. In one zonal committee meeting I attended, this became the topic of a discussion, because money has been spent building a hostel, but according to one participant, many farmers have little idea about the use of this money. During this discussion, it was suggested that the handling of the premium should be decentralised down from the central to the zonal committee level so that the producers can have better control over it. However, one research participant said there were also concerns about how the producers would be able to manage this money. It can be viewed as a challenge to maintain broad participation and decision-making within an organisation when many members have limited socio-economic status (Raynolds et al., 2004).

As mentioned in Chapter 3, a certain level of power and control on behalf of a management is necessary for a group's success. Certain large and complex decisions can be more efficiently handled by a small group of “experts”. There is need for stability and professionals who can deal with such issues, and within Cepicafé the management has been
sitting for a long time, which means they have experience. Milford (2004) identifies the lack of knowledgeable and experienced managers as a problem for the success of coffee co-operatives in Mexico, and Remy (2007) sees the long term stability of Cepicafé’s management as a positive aspect.

On the other hand, though, a management that sits too long can also be counter-productive. Information I received during my stay in Peru indicated that with the same management for years, there were hardly any changes in how things are run, things which would need to be dealt with differently in order to function in a more transparent way. It seems, then, that there is a difficult balance between operating through power and control and co-operation, and Raynolds et al. (2004) claim that efforts to tackle the centralisation of skills and power is a common issue in the co-operatives they have studied in Mexico.

Even if one could agree that there are complex matters which might be dealt with in a better way by professionals, there are still other ways that for example the Fairtrade premium is spent that the producers should know about. The premium is, as mentioned, used to provide scholarships to sons and daughters of organised producers. The two students who have scored the highest on a test taken at the national university, are the ones who will receive the scholarships. However, in conversations with some of the farmers, I experienced suspicion because they felt they did not know a lot about it and, in the Appagrops I visited, no one had won the scholarship yet. Also the criteria to be eligible was doubted, the students' parents, it was claimed, had to be so and so poor and be illiterate. Furthermore, it seemed people were unaware of how they could enter their children in the “competition” (Miguel, 2/8; informal conversations, 23/6 and 26/7).

Although such examples as the above mentioned ones might suggest that all information is not reaching the base level, Cepicafé does indeed operate with different channels to provide information to the producers. The president of the members organisation also highlights information transfers as a positive aspect (Guerrero, 10/7). For example, in workshops the producers learn not only about how to improve production, but also about the Fairtrade premium among other things. They also receive a bulletin frequently, which holds information about commercialisation statistics related to exportation volume and recent market prices (Cepicafé, 2007a; Remy, 2007). Furthermore, the leaders have to inform constantly to the base associations and are also obliged to have regular meetings with the
presidents of the different associations (Remy, 2007). In addition, there are the general assemblies and zonal committee meetings, as mentioned.

Despite these channels of information, though, there is a lack of knowledge among producers on many issues, especially related to Fairtrade. So, could there be other reasons for this?

6.2.2 Understandable enough?
Murray et al. (2006) raise the concern that many Fairtrade producers lack an understanding of what Fairtrade is, and this coincides with my own findings in Piura, although it must be mentioned that this does not apply to all, of course. Some of my research participants had special tasks within their Appagrops, and seemed fairly knowledgeable, while the general view I got from informal conversation with other farmers and form what I experienced in meetings for example, I will claim that in general there is a lack of understanding among producers. There is an argument to be made that an understanding of the Fairtrade concept is fundamental to the producer organisations for different reasons: firstly, because knowledge is crucial for informed participation, and one of Fairtrade's requirements is that the producer organisations employ democratic processes to decision-making concerning the Fairtrade premium.

Second, in order to uphold transparency and producers' long-term commitment to Fairtrade and Cepicafé, knowledge must be a keyword (Murray et al, 2006). In one of my interviews the participant expressed some doubts about Cepicafé's role in fairer trade. The participant questioned whether the organisation was really establishing better connections and higher prices, and wondered if they in reality were no more than another intermediary. When we draw parallels to the suspicion and negative sentiments farmers have with regard to the middlemen (who are seen to exploit the farmers), this is a rather serious doubt to have. It is easy to understand how such suspicion can arise among producers, though, seeing as prices in 2006 were closer to what the middlemen pay. One of the staff members at Cepicafé told me that this has lead to reactions from the producers who are asking “hey, what is happening to Cepicafé, why are the prices so low?” (Domínguez, 23/7).

A more profound understanding of the Fairtrade concept and the way this market functions
could perhaps have reduced such suspicion and it should certainly be in the interest of both Cepicafé's staff and the Fairtrade movement that producers know enough to feel confident about these processes. As Lyon (2003) points out, transparency creates trust, which in turn is essential in maintaining co-operation, build understanding related to these actions and avoid that the farmers feel cheated.

In many of my conversations with producers, questions about Fairtrade and the market would result in a confused face or answers such as “oh, that must have slipped my mind” or “I haven't heard about that”. I attended a few meetings in which they were told about these issues, and I was shown some of the bulletins they were given. Hence, it is important to note that although some producers might claim they have not received certain information, in cases where they do receive it, they forget it again. This is confirmed by several of the people at Cepicafé, amongst them by one of the leaders in the central committee; “you ask them if they understood and they’ll say “yes, yes” but later when you ask them they have forgotten” (Dolores, 1/8). It seems that one reason for this is that a large part is illiterate, according to the leader, but also according to some of the farmers themselves. When asking one farmer what Fairtrade is, I got this answer: “I don't understand that very clearly, I can't learn, I can't read. If only I had been able to bring a notebook and take notes...” (Marcela, 2/8). Consequently, for those who are illiterate, the bulletin they receive will not be of much use.

On another note, it might seem as if this kind of information is too abstract and hard to grasp for some. This was also one of the conclusions in the study done by Murray et al. (2006). During one of the meetings I went to, which was held for the producers by Ethiquable, the spokesperson was talking about how Fairtrade was a more direct way of trading, how they skip middlemen and how Fairtrade is more democratic. Many of the producers were nodding, seemingly understanding and agreeing to these points. Then the woman who was seated next to me – she had been one of the most eager listeners – turned to me and whispered: “So then, who is better, Fairtrade or the middlemen?” (27/7).

For coffee producers who have either not attended school or who have limited education, and who work very hard to gain a living, knowledge and learning is much more closely tied to practical work than to abstract concepts and ideas gained through reading, listening and writing. Thus, it is not a question about not being intelligent, but having different kinds of
knowledge, as was discussed in Chapter 3 (McFarlane, 2006; Long, 2001). Carmen (25/7), who is an elderly female farmer, had one of the largest productions in the organisation, as she sells around 60 quintales per year, and as such can be considered to be quite a successful producer. From the interviews, I understood that she did not know much about prices, income or the organisation. Instead, her son would answer these questions for her, but she would certainly light up and talk a lot when she could tell me about how she had learnt to improve her coffee parcel.

Murray et al. (2006) also had the same experiences in their study. They point to the fact that for many farmers it was more easy to understand the organic market than the Fairtrade market, because the organic market and its philosophy links more directly to production procedures in the coffee parcel. When I asked producers what the Fairtrade market demanded they would often answer higher quality in production, which of course is also true, but in reality is primarily the demand of the organic market.

Figure 6.1. Farmers in a workshop

And so, the problem of knowledge transfers and information seem more complicated than just whether they exist or not. Perhaps we should rather ask whether the main problem is in fact not due to a lack of information from the higher decision-making units down to the base units, but indeed whether it is actually the way in which the information is being

30 This picture is not related to any of the research participants I have interviewed, or meetings discussed in this chapter
communicated to the producers that is inappropriate?

Information gained during meetings can be difficult to process as some producers are old, and also, most farmers are not used to sitting down in a room to listen for several hours. In the workshops or meetings I attended there was almost always someone who fell asleep. Many had worked for hours before getting there. In addition, the meetings often lasted several hours and never started on time seeing as many producers arrived late. The meetings were not always very efficient, and discussions which were not of the uttermost importance could drag on. Also, I have been told that the yearly general assembly, in which important decisions are made concerning the budgets and financial issues, among other things, can last from around 9 in the morning until 2 or 3 the next morning, with few or no breaks. It was claimed that the producers are sat listening to financial reports all day, and then at the end of the meeting the producers who are tired and fed up are supposed to approve the management's suggestions.

Can this be considered an indirect ways of excluding the farmers from decision-making? Sharp et al. (2001, p.21) uses the term 'practices of power' about using tactical knowledges within a particular situation, and it should be questioned if that is what happens when important meetings are arranged in such a way. Most professionals I met in Cepicafé were fully aware of the producers' lack of capacity to focus for hours in meetings.

One of Fairtrade's most powerful marketing techniques are the narratives from farmers stating how pleased they are with being a part of the Fairtrade network (Goodman, 2004). However, when meeting farmers who are not fully aware of the implications or benefits of Fairtrade, it makes me wonder about the representativeness of such producer statements. It was also my impression during my stay that the visitors who came to Piura were mostly introduced to the ones who were more knowledgeable. The question of representation – who speaks for whom – becomes central (Hickey & Mohan, 2005). Perhaps the farmers who are more prone to be chosen to speak of the producer organisations are people who are not representative for the rest of the producers, and then certain evaluations of Fairtrade processes might be skewed and more favourable than what the reality in fact is. It seems it could be beneficial to co-ordinate efforts from Fairtrade and Cepicafé to map and understand the different levels and kinds of knowledge among farmers, in order to design
methods which could improve the degree and nature of knowledge transfers down to the producer level.

6.3 Power relations between actors
In order to understand how participation works in Cepicafé it is relevant to look into existing power relations between actors. As has been discussed knowledge is pivotal for participation, and holding the “right” knowledge is power in itself, but there are also other ways that power can manifest itself, such as through a person's socio-economic status and social network, among others. Power is, furthermore, not fixed, as was discussed in Chapter 3, and people find themselves in positions of power depending on time and space and relative to who they interact with. Also, through the empowerment process, gaining more social, political or psychological power, can also impact on these power relations among actors.

In order to simplify the analysis I have identified certain analytical relationships, as was mentioned in Chapter 3. My field work has not provided enough information to discuss them all, but here I will focus on the relationship between the producers and the professionals; the relationship between organised producers and, between the producers and independent farmers.

6.3.1 Producers and professionals
One important relationship between the actors in Cepicafé is that between the staff and the producers. The managers are mostly found in the offices, and do not interact as often with the producers as for example the technical assistants. The earlier discussion of information flows, though, is one manifestation of the power flows between the management and the producers. The engineers are both the ones who are in charge of managerial tasks and the ones who are training the producers, and they are basically the link providing the services of Cepicafé to the producers.

From observing the interactions that took place between technical assistants and producers at different workshops and meetings I got the impression that there was an asymmetrical relationship of power between the producers and the professionals. The technical staff
enjoyed respect from the farmers, and they were always addressed as *ingeniero* (engineer) instead of their name. There were also manifestations of a certain dependence on behalf of the producers as the engineers were expected to provide answers and solutions. Of course, to provide assistance and teach is one of the functions and aims of Cepicafé, but the engineers are also consulted to sort out other difficulties within the base associations.

One example is from a workshop at one Appagrop. It was supposed to be a meeting to discuss how to improve post harvesting routines, with the engineer, who is also a member of the management, proposing that the Appagrop should invest in better infrastructure. This in turn led to a member complaining about such extra expenses and the meeting soon turned into a discussion concerning members who had not paid their debts. The producers said they already had to spend more on the association because they had to pay back these loans that their fellow members were neglecting. The producers sought advice from the engineer holding the workshop on how to resolve this.

During the course of the meeting, more and more information about who owed money and the amount of their debts was revealed. It furthermore became obvious that such issues have been known for a long time (some cases were from years back), but that they had not been dealt with internally in the Appagrop. It seemed that some were fearing the consequences of confrontation, and they were hoping that it was the staff at Cepicafé who would resolve the issue. However, the engineer tried his best to explain that this was an internal issue, and that they as owners – and because they were directly affected – needed to take the first step to solve the problem. They agreed at last that they would firstly talk to the ones with outstanding debts before taking it to Cepicafé, but when I asked a month later it had still not been resolved.

The fact that the professionals seem to hold this power in decision-making situations, which should really be dealt with by the producers in the Appagrop, does not necessarily mean that it is a conscious move made by the professionals. I saw several examples of engineers trying to make the producers understand that there is room for them to make decisions concerning themselves. Gabriel (4/7), the president of one the Appagrops, told me that he has learnt a lot about decision-making and that this is knowledge he can pass on to the others.

One of the conclusions I have come to regarding the power issues between the producers
and the professionals, then, relates to the producers’ self assurance. There seems to be a lack of self-confidence to deal with certain problems. In a general assembly meeting I attended in one of the Appagrop, the promoter (a producer who teaches the other members about different issues) was saying that being in an association is about increasing self confidence and that “now we value ourselves”. However, it became very quiet among the twenty something producers who had just been chatting and laughing about a comment. They seemed to be thinking hard about that statement. As was mentioned in Chapter 3, clientelistic relationships, which are almost inherent in many Latin American institutions, can reduce self-esteem and create passivity among those with lower social rang (Sobrado Chaves & Stoller, 2002).

Producers are not necessarily subordinated in this relationship, though, and there are also examples of how the producers might exercise their power in certain situation on behalf of the professionals. They can, for example, decide not to come to meetings, and they can also choose not to deliver their coffee through Cepicafé. As mentioned initially in this chapter, the producers are the most important actors within Cepicafé as it is them who produce the coffee. Without them, Cepicafé would not exist.

Some farmers expressed an understanding of their importance to the organisation. Jorge (1/8), for example, seemed to perceive his position to be of importance: “The engineers ask me, ‘Jorge what do you want, what do you need?’, and stuff like that. We are an organisation, we get together and we come to agreements”. However, in relation to this example, it is interesting to note that Jorge is one of the farmers who bring in the most money through Cepicafé, as he sells 20 times as much coffee as the ones who sell the least. It could be questioned then, if it is in the interest of the management to give him special attention. This aspect further points us to the power relations between the producers themselves.

6.3.2 Power relations between the producers

As was described in Chapter 5, the producers in Cepicafé are a heterogeneous group. This means that some have higher socio-economic status than others, and also more powerful networks within the community and that they as such benefit in different ways from their membership in Cepicafé. Such socio-economic differences and power relations between the
producers are also important to understand in order to get a better picture of how and who might participate in decision making.

There are vast differences in affluence among the producers in Cepicafé. This became quite clear through the observations I made and the conversations in which I asked about income, production size and size of land. For example, one producer family (23/6) answered, to the question of what it meant to be rich, that the number of houses that a producer owns indicates something about his or her wealth, as well as the number of livestock.

The size of one's coffee parcel can also indicate something about wealth, as a large parcel size in most cases is related to a large crop and consequently a larger income. In Cepicafé, I found that there were farmers who have several houses, who produce a lot more than the ones at the bottom end of the scale and that these provide work for others as they have larger crops that need care. According to Jorge (1/8), one of the farmers with a substantial amount of land and production, production size means power: “[…] here in the campo, the one who has more power is the one who has the largest crop. If I have more to harvest I provide work to the one who has less”. Mosse (1995, p.1) emphasises that this is one indirect way that power relations in a community can help distribute benefits from a development initiative to the poorest, not directly but through a “patronage network”.

Jorge does not only have a strong base for social power, but he also seems to have more influence in participation. He told me that he is a more politically active person in relation to the others, and people come to him for advise on how to do things. He has assisted several times in the general assembly, and he also told me that he has been asked by other producers if he could be the Appagrop president, although he has declined (Jorge, 1/8).

6.3.2.1 Voluntary engagements
All leader roles within the members organisation in Cepicafé are voluntary, and so the extra time spent taking on such responsibilities will not be rewarded financially. Hence, people might feel that they will have to neglect their production, and that they will lose money. It might be much easier for a producer which is not so pressed for money to take on such a responsibility. Thus, more financial means gives more freedom to participate in other work.
One example is the president of the central committee: he has eight hectares of land on which he cultivates sugar cane and 10 hectares dedicated to coffee (Guerrero, 10/7). He told me that he can not engage in much work in his parcel because of his engagements as president. However, he has other people to work for him so that his production will not suffer too much. Another leader in the central committee says that the coffee parcel suffers from the engagement that the leadership role requires. However, this leader also has a shop from home, which indicates that the financial situation cannot be too pressed seeing as a business in the first place requires the means to invest. The above situations are not representative for most small-scale producers, though. Those with less production and hardly any capacity to acquire help would not be as likely to neglect their parcel on behalf of voluntary commissions, seeing as coffee after all is their main source of income.

However, I also want to emphasise that having a large crop does not necessarily mean the producer is engaged in other activities. Carmen (2/8), for example, who has a very large crop output and who has the capacity to buy terrain and animals, was as mentioned not very interested or knowledgeable about the workings of the organisation, instead she said she spends a lot of time and efforts in production, and her main reason for joining in the first place, was to sell her coffee through Cepicafé.

### 6.3.2.2 Decision-making

In one interview, Jorge (1/8) emphasised to me that “in decision making, we are all equal”. In the meetings I attended, the floor was open for people to speak their mind, and in voting everyone who was a member was counted. Still, the very same observations I have made in forums for decision making, have given me more insight in how producers behave towards each other and act around each other.

In the case I mentioned where certain members were not paying their debts, very few would speak up. It seemed difficult for members to come down on other members, perhaps fearing sanctions. Through some of my informal conversations it has also been suggested that there are certain producers who will be reporting back to the central about what is being said in meetings, and that because of this, other members might be less willing to speak up.

As Lyon (2003) has pointed out, for groups to function, trust is an important issue, and in
the case describing the debts there seems to be a lack of this among the producers. However, he also believes that in addition to trust, there must be someone who can enforce the rules made. From the meeting it seemed clear that this was not happening within the Appagrop: the issue was brought up by one member who was tired of having to pay for others, and it became clear that some of the debts could be traced years back, without the problem having been resolved, and now finally, it was mentioned, and the Appagrop looked to the engineer to sort out the problem. One of the reasons for this I have been told has to do with certain alliances among producers.

Power relations and social networks, then, might hinder people from expressing their views in public. For example, in a meeting in which members should vote about the entry fee for new members, there were a few people who would argue verbally for their view. As such the amounts they could decide between were a result of a few people's opinions. After deciding on a few sums to vote for, there was a hand count. However, there was a lot of confusion in the process, some did not vote and it had to be done over a few times. This made me wonder whether a secret vote on a piece of paper would have been a better way. As such, the ones who do not speak out loud, and those who are unsure about deciding in public, could vote what they really thought. Also, the process in itself could have been less chaotic.

6.3.2.3 What about the women?

An interesting power relation in a producer organisation that I would like to briefly mention as it seems to be impacted upon by Cepicafé, is that between men and women. As has been already mentioned in Chapter 5, one of the social demands of Fairtrade is that the producer organisation works towards gender equality, and this is a focus area for Cepicafé. Women feel they have a better position now and are allowed to participate. I experienced that there were always some women who would speak up in meetings, and women are, furthermore, represented at the level of the Appagrop, as well as holding positions in the zonal and central committees.

Murray et al. (2006) say their studies revealed low levels of female participation, and in Piura too, although women do participate, they are outnumbered. There is, for example, only one female central committee member. Traditionally, women work at home and do not
attend meetings. In one of the communities I visited, I asked some women if they normally would attend meetings, but they said that they did not and that their husbands were the ones who would go. However, they would take the husband's place if he was not able to attend. Still, they expressed satisfaction with workshops and meetings that focus on gender equality and intra-familiar violence.

6.3.3 Organised producers’ relations with independent producers

I find it important to include a discussion of the relationship between organised producers and independent farmers, because it can give an indication to some of the reasons why development initiatives such as Cepicafé might not really benefit those who are the poorest, of those who have less power to enable positive changes for themselves in a community. In relation to who might participate in initiatives aiming at empowering marginalised groups it is useful to point out, then, that it is not always the poorest that are found here (Chambers, 1995).

I have already discussed that these initiatives can exacerbate the differences in power between members, and that farmers within Cepicafé with more social power can also be found to easier acquire political power. Such a general conclusion can also be applied to the discussion of inclusion. Those who have more will be more likely to be found in arenas that work towards change and empowerment (Rowlands, 1995). One critique often directed at Fairtrade and organic initiatives (as well as participatory development in general) is just this, the lack of ability for the poorest producers to enter. As has been discussed in Chapter 5, for some, the quality requirements are too demanding, and the entry fee is too high, but there can also be other reasons.

Power relations in the community, and between the organised farmers and the independent farmers should be investigated, because as Cornwall (2004, p. 85) notes: “the social and power relationships that exist within the range of domains of association across which people move in the course of their everyday lives, intimately affect their ability to enter and exercise voice in arenas for participation”. In Cepicafé, the farmers are the ones who decide who can join the organisation or not (Jorge, 1/8). To enter one must pay a fee, which is considered to be rather large by many (it seems to normally lie around 300 soles). In the discussion mentioned above about the price level of entering, many producers wanted it to
be higher than it currently was, and in the end it was raised from 300 to 400 soles (7/7). They seemed to think that those who really want can find a way. The reason for having a high entry fee, is arguably because they want to be as sure as possible that they can trust those who enter, and that only serious people join. In conversations with producers it was expressed that they do not want those who only come to sell coffee and then can not be bothered to participate in meetings. Also, situations such as the one described above in which members have not paid their debts can contribute to this caution. Associates' knowledge about the characteristics of other farmers in the community who want to join can work in favour or against the “applicant”.

In conversations with farmers who were independent there seemed to be a feeling of exclusion on their behalf. Rosa (2/8), an independent farmer I had an informal conversation with, seemed to feel rather upset that the members in Cepicafé were getting something she was not allowed to have, especially when it came to the credits. However, she did not know much else about Cepicafé and had never tried to become a member.

On the question of what poverty is, the independent producer, Juan (2/8), told me that for him, it was related to the critical situation he lived under, and that there were no one who would help with the economy or for him to improve production, but that the organised producers, they had this. He also seemed a bit upset with the group, claiming they were only working to improve their own situation, and that they did not care about the community as a whole. He had tried to enter, but had been refused because of his sharp remarks on this issue, according to himself. However, he also said he could not become a member because he had too little land, which means the income is not much.

On the other hand, when talking to the farmers in Cepicafé about why people do not join, the replies were almost hostile. On the question of what obstacles were to be found for coffee producers one associate answered that the obstacles are “the rest of the people who don't want to get organised” (Ernesto, 26/7). When I asked the farmers why some people in the community did not join the association, some replied that they were crazy and lazy. Also, when I asked certain people about poverty, they said the poor were those who did not want to work and they do not join the association because they do not want to make an extra effort.
However, organised producers in Piura also realised that it was a challenge for many to become members. Gabriel (4/7) and Ernesto (26/7) mentioned that it was difficult for some because they already had a lot to do, and did not have time for extra work, while Jorge (13/7) also said that in his Appagrop the fee to enter was 300 soles, which he considered to be too high. During the mentioned discussion about the entry fee, many members said the same, and that because of the fee they had too few members. However, as stated before, it was decided that they should increase the fee in that particular Appagrop.

The question to ask when looking at the attitudes from both organised and independent farmers is whether there are already established power divides within the community which can be exacerbated through to the work of Cepicafé. Mosse (1995), who has analysed power relations in a community by having participants engage in a project work, describes how the participation itself was a manifestation of power. The more powerful were the proactive, knowledgeable and cooperative, while the poor were seen as the ones who were irresponsible, pessimistic and who only pursued immediate benefits, and as such were more risky to include.

Mosse's (1995) analysis can help us understand how power relations among producers, and organised producers' views of others, affect matters of inclusion and exclusion and, further, that the farmers who are members in Cepicafé perhaps are not the most powerless of coffee farmers. They have managed to enter the organisation, and they have access to services which are sought after. They also have access to a participatory arena in which their voices can be heard, although there are certain obstacles that might discourage participation for some. Still, if Cepicafé is to also include the poorest farmers, then – as Cornwall (2004, p. 85) states – “more attention needs to be given to issues of difference, and the challenge of inclusion”.

6.4 Cepicafé and external relations

“Although power is everywhere, and we must pay attention to the micro-politics of power, we should not abandon the discussions on the structural inequalities of power”

(Massey, 2000, p. 280).
I have so far been discussing how power relations among actors within Cepicafé can affect participation and political power on an individual level. This is an important aspect to scrutinise, and it should be done to improve practices within the organisation. The processes within the organisation are only a step towards empowerment, but in order to achieve collective empowerment, there is a need to look beyond the organisation and confront those forces that are causing marginalisation and impoverishment – there is a need to lift the focus to include the powerful forces that are operating outside of Cepicafé (Hickey & Mohan, 2005). The organisation should be an actor with economic and political claims. There is a need to advocate the rights of small-scale coffee producers, perhaps even agricultural producers as a whole, and to challenge the state and international market practices.

6.4.1 The state

“The time when people looked hopefully to the state to resolve their problems has passed. They have learned that the state is neither all-powerful nor greatly concerned with their life situations” (Friedmann, 1992, p. 139).

Although written in general about the Latin American people, and even though the quote is from the beginning of the last decade, I believe it can still be applied to the situation in contemporary rural Piura. Friedmann wrote this at the same time as the neo-liberal paradigm swept over Latin-America, when Fujimori had just been in office for a few years as the president of Peru, and had embarked on a structural adjustment route towards rescuing the haltering national economy. This, as discussed in Chapter 2, led to a difficult situation for agricultural workers (Crabtree, 2002b).

Today, policies directed towards the rural poor have not changed so much and generally there is a negative attitude towards the government among agricultural producers (Crabtree, 2007; Remy, 2007). At the beginning of the decade the coffee crisis put farmers in a difficult position, and Crabtree (2002a) claims that many producers felt that the government was not supporting them. Some years later, there is another case that is preoccupying many agricultural workers, namely that president Garcia and his government have decided to enter in to a Free Trade Agreement with the United States. When speaking to the president of the
member organisation he mentioned how he was very much concerned about the decision (Guerrero, 10/7).

The dissatisfaction with the lack of government support can also be illustrated in the statement below, which was the answer I received from Miguel (27/7), when I asked what poverty was: “there are many ways to explain it, in the first place if we refer to the economic factor it is because you don't have money. If you can't [...] study it's because you don't have money and unfortunately our country is managed by a capitalist power and unfortunately we are fighting to survive. [...] and as people say, the weakest one is subjected to the stronger one and one stays poor because they cut off all facilities to live such as a person's life should be. One doesn't have a life insurance, nor a job nor health. These people don't have a future because a person without a job, without studies, what can he expect?”.

Friedmann (1992, p.7), who saw collective strength as essential for empowerment also believed that there was a need for a strong and supportive state: “[...] without the state's collaboration, the lot of the poor cannot be significantly improved”. In Peru, there are certain projects in rural areas that receive government support. The national development agency, Foncodes, is involved in Cepicafé's projects, and there are certain municipal projects going on in rural areas. In addition, there is a government program, JUNTOS, which gives out 100 soles to the poorest people (Republica del Peru, 2007; Guerrero, 10/7). However, programs such as JUNTOS, are not sustainable, they do not tackle the root causes of poverty, but rather relieve the symptoms. This kind of aid will not result in empowerment, there must be a way for people themselves to contribute to the improvements of their lives. In addition, this kind of support can also contribute to disencouraging demands from local institutions that are more concerned with keeping the subsidies that are transferred to local areas, as was discussed in Chapter 2 (Crabtree, 2002b: Friedmann, 1992).

For coffee producers, whose income is based on a highly unstable commodity, one way of improving their situation could be by diversifying or moving their income generating activities to other sectors than the agricultural sector. However, this is not a feasible option
for many agricultural workers, and this is linked to the lack of education and work opportunities in the area.

One problem in Peru is the lack of support for education, especially higher education. If a person is to find work outside the agricultural sector education is pivotal. Some of the research participants I met also recognised this aspect and had prioritised to send their children to school, despite large costs (Juan, 25/7; Jorge, 13/7). However, according to a group of women I spoke to, this was not common among the producers, because most could not afford it (26/7). Ceperal’s initiative to provide scholarships also reflects the recognition that there is a need for higher education support.

Juan (25/7), who is an independent farmer and who expressed how important he believes education is for improving ones situation, had sold off most of his cattle in order to pay for his children's education, and was now left with hardly any. He firmly expressed his dissatisfaction with the lack of government support for this matter. I did not only meet frustration related to the educational situation, but, as Juan (2/8), also pointed out, there are hardly any work opportunities in the area. Even though his children were educated, that was no guarantee for finding a job. His eldest son, he told me, had had to leave Piura in order to find work and he was now working somewhere in the jungle.

To diversify into the non-agricultural sector can be difficult, then, as there is a lack of jobs. To create one's own business is one way to do it. However, according to Miguel (27/7), it is difficult for agricultural workers to get loans and many also fear taking up too much loan because they are afraid they might end up not being able to pay it back. They can never really know what kind of income they will have from production, and this is especially related to unstable climate and problems with plagues. The crop can be good one depending on the weather, and then the next year it might be poor, and then they would have difficulty paying.

So, one issue that could be demanded by rural institutions, such as NGOs and producer associations, is that the state engages with rural areas and facilitate diversifications into non-agricultural work. However, when I talked with producers, politics was hardly ever
mentioned as a part of what Cepicafé did. When I asked one producer about political claims within the association he belong to, he shook his head and seemed almost surprised about the question. “No, people are not very political”, he said, “they are not very good at demanding” (Jorge, 1/8). On the question of whether there were claims made by the Appagrops towards the municipalities, Miguel (2/8) answered that it did not really happen in his Appagrop, but he had heard that there was another Appagrop that did. Jorge (1/8) said that the producers in his Appagrop sometimes put forward demands to the municipalities about improvements in agriculture, for example. In the conversation I had with the president of Cepicafé, he mentioned that they were in close contact with a person in the congress, and he expressed the importance of creating a political group (Guerrero, 10/7).

I have also been told though, that the management in Cepicafé is not so interested in being associated with political claims. Nor do they declare many political opinions about the situation of the agricultural sector or about the government's role. It is claimed that they are more concerned with being a successful social enterprise than a member organisation that represents agricultural workers.

It can be useful to take into consideration socio-historical factors in Peru when discussing political mobilisation among groups in civil society. Hytrek (2002) claims that, historically, efforts to mobilise marginalised groups in Latin America has been difficult if not dangerous, and points to how dominant classes have used the military and paramilitary to stop them. When we see how Fujimori used the military to come down on terrorism, as was mentioned in Chapter 2, which also resulted in many innocent people being tortured and arrested, it can perhaps explain why, on a collective level, Cepicafé is not very active in challenging political barriers.

In one of my conversations with Miguel (27/7), he elaborated on why people would not speak up against the government: “one couldn't say anything because they would take you at once and they would say that you were an agitator and unmannered and they would brand you a terrorist and that is a serious crime”. “[...] a lot of people were punished and abused and it's because of this that a lot of people in the sierra prefers to keep quiet and not say anything because of fear”. Thus, he seems to think of the power holders in the Peruvian
society as repressive: “Power is like that, they cover your mouth, they threaten you, they erase you from the map” (Miguel, 27/7).

I have had conversations with producers who had been arrested due to false accusations during the 1990s, and on the question to one of them of why the participant thought this happened, the answer I got was that the participant was an outspoken person (in political matters), and whom the government wanted to silence.

With an explicit agenda for advocacy and support from the management and professionals, maybe there could have been a move towards empowerment through the use of their collective voice. However, it is not only the national and local level that presents obstacles for collective empowerment, but the global coffee market is an obvious barrier for many small-scale producers.

6.4.2 Disempowered producers on the International Coffee Market

In Chapter 2, I painted a brief picture of the world coffee market and the challenges it poses for small-scale producers who find themselves in a disempowered role in the coffee commodity chain. I referred to authors who claim that liberalisation and other developments on the coffee market during the last 15 or so years have changed the power structures and led to large scale corporations in the coffee trading and roasting business, (mainly from western countries) gaining an immense market power that is contributing to the vulnerability of small-scale producers (Bacon, 2005; Calo & Wise, 2005; Ponte, 2002). The producers, in return, are receiving commodity prices that are sometimes below cost of production (Bacon, 2005).

In addition, the volatile nature of the market as a result of price fluctuations further exacerbates the situation. The traditional market will, according to Calo and Wise, (2005) be characterised by unsustainable prices as long as supply continues to be higher than demand, and because a few large companies dominate the trade. For most small-scale farmers this struggle for power manifests itself in the negotiation with the local middlemen (Milford, 2004), but through the professionals in Cepicafé they gain direct access to external
supportive, alternative markets which give better opportunities as they focus on improving the social, economic and environmental conditions in producer countries (Bacon, 2005; Ponte, 2002).

It can be claimed that in a way Cepicafé is directing its focus at the market outside of the organisation because they are part of a multi-levelled network consisting of producers, local professionals, and global movements such as the organic and Fairtrade initiatives. As was discussed in Chapter 2, The Fairtrade Foundation for one, claims to focus on advocacy in a citizens’ movement for change consisting of both producers and consumer (Fairtrade Foundation, n.d.a). Transfair, the US branch of Fairtrade, states they are aiming at restructuring the relationship between consumer and producer and improve trade inequalities (Raynolds, 2002).

However, it can be argued that the alternative market initiatives are perhaps not really as empowering as they might be portrayed as. Even though they seek to improve trade relations and make them more stable and as such work against the free market, they still operate within the same structures (Calo & Wise, 2005). In addition, the main focus within the organisations seems primarily to be on improving production, as the link between income and quality is what becomes more important and also understandable. This might be the reason then, why the main focus of producers is not to claim their rights on the world market, but to keep their position in the market through following primarily the demands of high quality production. This is also reflected in the way producers are thinking about their roles in coffee production. During interviews I conducted with organised producers, quite a few of them felt that improving their situation and the income was mainly the responsibility of each person, and that this was related to improving production. The independent farmers, on the other hand, would say it was the system or the middlemen who had the responsibility to make coffee production more beneficial.

The question that one needs to ask though, is whether the improvement of production really is a sufficient solution to the disempowerment of small-scale coffee farmers. Ponte (2002) writes how improvements in production procedures at times have contributed to price fluctuations on the market because it increases production and results in oversupply, and it
is plausible to ask if this could also be a problem for the niche markets. Pidecafé (2001) shows how organic coffee production has already become so popular in Peru that the extra premium has fallen (Pidecafé, 2001).

I will not engage in a broad discussion on ways to improve the market mechanisms, as it is not the main focus of my thesis, but I will refer to what Calo & Wise (2005) have suggested: they claim there must be a mechanism that regulates supply so that the prices will not fall further. But for small-scale farmers this is a problem, they already produce at the margins of what is sustainable production for their incomes. Larger producers such as plantations are contributing substantially to oversupply and should be the primary targets.

The global/local network that Cepicafé is a part of constitutes – no matter what the practices are at the moment – a great potential to forward such demands on a global scale and to work towards radical change in the producers lives. But, the fight for fundamental changes to the rules of international trade needs also come from the producer level and this requires that all actors in this multi-levelled network consolidate their efforts and mobilise towards advocacy. However, as has already been discussed, there is a lack of knowledge among producers about the concept of Fairtrade, and the management might not be very concerned with advocacy as long as they secure markets for exportation. Hence, it can be argued, that the fairtrade movement do not seem to transfer very well their stated advocacy down to the local levels, and that for the producer organisations, belonging to an alternative trade network becomes no more than a pretext for contentment which does not invoke political demands.

6.5 Summary
In this chapter I have looked into how information flows, knowledge and power relations among actors in Cepicafé might be an obstacle to participation. Being able to partake in decision making is crucial to gain political power, which in turn influences empowerment through increases in social power: producers can impact on how services and financial means should be spent through decision making. In the relationship with the professionals in Cepicafé, producers might find themselves in a situation of feeling less confident which
can reduce participation. Between the producers themselves, socio-economic differences (including traditional gender roles), as well as social networks can inhibit the agency of certain producers. For those who are well off, it might be easier to spend time in voluntary engagements, as they can afford to spend less time in the parcel. The point that those who are better off are more likely to be found as contributors in participatory arenas is also demonstrated in that the poorest are more likely to be excluded from a membership in Cepicafé both because of the financial entry barrier, but also because of power relations in the community.

I have, in addition to focussing on the power relations between these local actors, pointed to the need to confront external forces such as the state and market. However, a lack of knowledge, political will and consolidation of efforts, has hampered advocacy and claims, at least among the local actors.
7 Towards empowerment?

In this thesis I have focussed on Cepicafé, a Fairtrade/organic producer organisation in Piura, Peru and the situation of the small-scale coffee producers who have joined it. Small-scale coffee producers often find themselves in a situation characterised by insecurity due to a volatile market and in a disempowered role in the global commodity chain. Many are isolated with no or little information about quality requirements and market prices, which weakens their role in negotiations with middlemen. In addition, they have few means to improve their living conditions, both due to lack of capital as well as not having an arena to participate, on which their voices can be heard.

Fairtrade and organic market initiatives focus on offering better and fairer trading conditions for small-scale producers and they promote socially, economically and environmentally sustainable conditions for production. In addition they require that producers who export to their markets are organised and have access to decision-making. Hence, marginalised producers group together, acquire access to services from professionals and become part of a multi-levelled network of support that has the potential to promote their rights and change the circumstances they live and work under.

The word 'empowerment' is often used when describing the expected outcomes of participation in producer organisations that are supported by such alternative markets (Eshuis & Harmsen, 2003; Raynolds, 2002). I have chosen to study a specific producer organisation to understand how far participation can lead to empowerment for the members. I have defined 'empowerment' as a process of decision-making in which those who have been excluded are included and are consciously participating to radically transform their living conditions. To be empowered involves the enabling of complex, multi-dimensional power entities; social, political and psychological and I have looked at the empowering process at two analytical levels: the individual and the collective. The individual level relates to the strengthening of these power dimensions for the producers within the organisation, while the collective level of empowerment is related to the organisation's work for the group as a whole, which implies there is a need to also confront and demand changes from external forces such as the state and the global coffee market.
The knowledge applied in this thesis has been produced in cooperation with research participants during my field work in Piura. Interviews, conversations and observations are the main modes of knowledge production, and as such the knowledge portrays a heterogeneous group of coffee producers and their multiple realities. The final product though, is of course also coloured by my own views and interpretations. I hope that I have managed to create a more nuanced picture of Fairtrade/organic producer organisations as a vehicle towards empowerment. To more specifically meet the objective of understanding how far Cepicafé has contributed to empowerment, I have addressed two main research questions, and I will address them in turn.

7.1 The contributions to empowerment

My first research question dealt with the contributions that Cepicafé is making to the empowerment of producers. I have claimed that the services provided by Cepicafé, which I divided into three main functional areas – commercialisation, credit provision and, technical assistance and knowledge transfers – can all be seen to strengthen the producers' social power, which is an important element of the empowerment process. These services enable the producer to gain resources which in turn give more room for making decisions and for increasing productivity.

Commercialisation allows small-scale producers to enter export markets, which on their own, would have been difficult if not impossible to access. The main export markets in Cepicafé are the alternative markets that provide a higher price and more stable trade agreements in addition to extra premiums. Commercialisation in Cepicafé further opens up for export diversification, which gives the farmers more sources of income. However, the price benefits are subject to discussion. This is partly a reflection of the different members' agency: their personal characteristics, level of knowledge, socio-economic status, but also of power relations. Exporting to the alternative markets require more work, and some consider the financial gains to be inadequate in relation to the amount of work demanded. Others again are content with the situation as it is, while some consider it to be a situation of hope for increases in the future. The fact that the income is dispersed over time, as there is a final settlement that comes later, seems to be one of the recognised benefits by them all.
Another financial aspect which is highly valued are the credit arrangements. Coffee is harvested only once a year, which leaves the producers in a difficult position, especially during winter. Hence, the loans they receive to cover basic necessities, but also to improve production are important for security and sustainability. The technical training and knowledge transfers about production procedures are also highly thought of among the producers, who recognise the need for environmentally sustainable procedures, as well as the importance of improving the quality of coffee to increase their income.

Another benefit is that by joining Cepicafé, the farmers have access to an arena for decision-making. Cornwall (2004, p.77) emphasises that “efforts to engage participation can be thought of as creating spaces where there was previously none”. So by joining this organisation, there is a space opening up for voices to be heard. The structure (as shown in Chapter 2) is designed for members to have a chance to participate in decision making at all levels. Through this they can gain political power, which contributes to both the improvement of their own life situations and to the sustainability of the organisation. The benefits gained from joining Cepicafé, and the potential that members get to actively participate, I will argue, provide better conditions for being empowered than do the circumstances for those who are not organised, because the members are in a process in which they have the ability to “recognise and exercise their agency” (Cornwall, 2004, p.77).

I have also discussed how such development initiatives and services perhaps are more prone to improving the situation for those who are already better off, it can in fact also exacerbate differences. Further, those who are well off might often be the ones who are found within such initiatives in the first place. As mentioned, many of the producers I met were found in the top categories that defined local understandings of wealth and poverty. People's agency – the ability of a social actor to undertake actions mediated by his or her knowledgeabilities and capabilities, as well as by power relations – then, indicates that it can not be expected that a development initiative such as Cepicafé will yield the same results for all participants. Still, on the road towards empowerment for small-scale producers, there are certain obstacles that should be investigated and addressed, in order to improve the potential for empowerment for all members, and also for coffee producers as a whole.
7.2 Obstacles to empowerment

The second research question was concerned with obstacles to empowerment. An important aspect of empowerment is the ability to participate in decision-making about issues that affect one's life. Information and knowledge is a pivotal part of decision-making as well as being crucial to establish trust and commitment to the aims of the organisation. Within Cepicafé, one of the obstacles related to this issue is the information flows and knowledge transfers, especially related to the spending of financial resources that belong to the organisation. There seems to be a lack of understanding about the Fairtrade concept, but a better understanding of the organic principles as they are directly related to production procedures, and are learnt as such through practical work in the coffee parcels.

Power relations among actors can also hamper participation. Although they are entangled and dynamic, I have for analytical purposes run the risk of simplifying these relations by dividing them. In the relationship between the producers and the professionals, the producers seem to be somewhat dependent on the professionals in decision-making partly because of a lack of confidence. Between the producers themselves, differences in agency, socio-economic status and social networks impact on their level of participation. In addition, as the benefits from the services in Cepicafé related to social power seem to be distributed somewhat differently among members, this can also impact on members' access to participation and political power: it seems easier for farmers who are well off to take part in decision-making through entering into leadership positions, for example. The question of inclusion for other farmers in the area, need also be considered when attempting to understand the empowerment potential that Cepicafé holds: is participation really accessible to the ones who are the poorest? Both the entry fee, the need for more efforts in production as well as the power relations between those who are organised and the ones who seek to join can inhibit inclusion.

So far, it might seem as if both the professionals in Cepicafé and the alternative markets have ignored the fact that information, which is crucial for decision-making, is not really getting through to the producers and also, that existing power relations within the organisation might inhibit participation from all members. However, there is not only the practices and power relations within the organisation that need to be addressed. For Cepicafé to be working towards collective empowerment, and as such a radical
transformation of living conditions, there is a need to look at the impact of forces outside of the organisation. Cepicafé as a collective actor should work to confront these external political and economic barriers by including advocacy as one of its objectives.

There is a general dissatisfaction with the Peruvian state amongst agricultural workers, and support for the sector should be demanded by rural institutions in civil society, but also to improve support in education and employment. However, it seems that in Cepicafé the management is not very concerned with being a claim group with a political agenda, and the producers neither. As it is now Cepicafé can be seen to be merely a technical service project. This can perhaps be explained as a result of the politics exercised by the government since the 1990s, in which both violence and threats as well as the use of incentives in the forms of certain kind of aid to rural areas, have been used as methods to weaken the rural voice (Crabtree, 2002b).

As for confronting economic forces on the international coffee market that have contributed to keeping the producers in a subordinated position, there is a potential for global advocacy as Cepicafé is part of a multi-levelled network. The global actors in form of the alternative market initiatives (more explicitly the Fairtrade network) are claiming they want to change the market conditions and that they want to work with small-scale producers to improve the situation: “these growers and shoppers have something in common: they are all passionate about Fairtrade” (Goodman, 2004).

However, as mentioned many producers are not aware of the role of Fairtrade. In the discussion of empowerment in Chapter 3, I mentioned Freire's concept 'conscientisation', which indicates individuals' need to understand their social context (Rowlands, 1995). There is a need to create awareness among the producers about their position in the international coffee chain, to also involve them in advocacy because empowerment can not only come as a result of external support, but must come from within (Raynolds, 1995). As it is now through, the main information work seems to be directed mainly towards the consumers (Goodman, 2004). So to become a movement for change there is a need to consolidate the efforts on all levels.
Thorp et al. (2003) attributed some of the success of a group in overcoming poverty to a supportive ideology. I believe that within Cepicafé, the most important point uniting the members now, is the strive for high quality. A reasonable question to ask when focusing on the lack of resistance towards the coffee market as an economic barrier, is whether the alternative markets, such as Fairtrade and organic, albeit their criticism of traditional market prices and production procedures, actually are condoning the market situation, and further, whether this keeps producers more or less satisfied with their situation as they receive benefits provided through the organisation. As the focus in the organisation rests on enhancing production to improve incomes and living conditions, such a discourse might undermine a struggle to change the market system. Does the organisation become a pretext for contentment, which does not encourage farmers, nor the professionals to mobilise in political outcries against the market?

I hope and believe, that the light my study has shed on the complex matters that surround the processes within this producer organisation as part of a local/global ethical trade network, can contribute to a critical awareness concerning this kind of development initiatives: instead of only dismissing them or embracing them as the salvation of marginalised farmers, both consumers, the people working in ethical trade networks, the local professionals, as well as researchers need to further scrutinise the processes and results. As such they can work towards ways of improving them instead, with a focus on including also the producers in a better way.

7.3 Recommendations and further research

My thesis shows that for participation in a producer organisation to bring about empowerment it is important to consider knowledge and the relations of power between actors and different people's agency when implementing development initiatives. I have had limited time to investigate all the different relationships that are potentially important to understand. Hence, further research should be focused on:

- How to transfer information about more abstract concepts such as the market mechanisms and alternative markets to producers in a way which is more compatible with their way of learning and understanding.
• The impact of different power relations among actors at the local level on participation.

• The nature and impact of power relations between the global and the local level as the markets are the ones laying down demands for the producer organisations.

Recommendations made for the trade networks are:

• To consolidate efforts on all levels in the global/local network. The alternative market initiatives need to engage in the local to understand the power relations that are operating in order to improve services and participation.

• Fairtrade in particular need to understand how to transmit their message which includes political claims for change down to the producers so they can also be incorporated at this level. As it is now, it seems that at the local level the professionals are mainly the transmitter of technical services to the producers.

• For Cepicafé to work to make decision-making more transparent and efficient. They need to consider how information is disseminated so more producers can participate effectively.

• To expand the activities in Cepicafé to not only include service provision, but political claims and advocacy as well.
Bibliography


Appendices
Appendix 1

List of interviews, observations and informal conversations conducted in Piura, Peru from June to August, 2007.

<table>
<thead>
<tr>
<th>When</th>
<th>Who</th>
<th>Description</th>
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<td>22/06/2007</td>
<td>Staff from Cepicafé and producers</td>
<td>Observation. Workshop in Appagrop about accounting</td>
</tr>
<tr>
<td>23/06/2007</td>
<td>Producer family</td>
<td>Informal conversation while selecting beans</td>
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<td>23/06/2007</td>
<td>Staff from Cepicafé and producers</td>
<td>Observation. Workshop in Appagrop about organic farming</td>
</tr>
<tr>
<td>24/06/2007</td>
<td>Staff from Cepicafé and producers</td>
<td>Observation. Workshop and Appagrop meeting</td>
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Appendix 2: Interview guides

Interview guide no.1

The first interview for organised producers in a sequence of three

1 Production
How many hectares do you have?
What do you cultivate?
The work day

2 Family
Who they are?
Education and work?

3 Income
How much coffee do you sell?
The prices of coffee?
Is it difficult to make a living as a coffee producer?
To improve conditions, whose responsibility?
Other sources of income?

4 The Appagrop
Why did you join?
Special tasks?
Positive aspects and negative aspects?
Have things changed in your life?
More resources?

5 Benefits
Credits
the final settlement
the stock up
long term benefits?

6 Participation
How does the organisation function?
how does decision making take place?
Interview guide no. 2

The second interview for organised producers in a sequence of three

1 Time
after you became a part of the association, do you work more or less?
In relation to what you earn?

2 knowledge and skills
what kind of things do you learn after joining
knowledge of what is required for organic production
quality requirements
how to control
prices
the market
education for their children
passing on knowledge to the children
diversification?

3 Support
from other producers:
  help for harvest and other things
  exchange of information
  money
means of production? Machines?
Healthier soil?

4 financial means
how much per kilo now, and how much before?
Secure income?
Long term contracts (FT)
Ability to get credit
how important?
Interview guide no. 3

The third interview for organised producers in a sequence of three

1 General assemblies:
how often and what kind of cases.

Whether people speak and make claims. If they are afraid of disagreeing.

2 The Appagrop's impact on decision-making in Cepicafé
how are decisions made?
Producers importance for Cepicafé
members' power to change things
Are there people with more power within the organisation?

3 Together as an organisation, the impact on issues outside of Cepicafé.
Claims to actors in the community/municipality/government.
For the producers in general?

4 Fairtrade
what is fairtrade? How the fairtrade premium is spent.
who makes these decisions?
Do the delegates inform about what is decided in the general assembly?

5 Self esteem and self confidence?
More now? In the meetings? Do you feel comfortable with stating your opinion?
Do you believe you are important to the organisation?
Are the other situations in which you feel more self assured?
Why do you think people buy your coffee?
Do you feel more proud about your coffee?

Do you feel that you can change your situation and that of your children because you are a member? Long term?

What is well-being?
what does it mean to be better off?
What is poverty?
Interview guide no. 4

The single interview guide for organised producers

1 Parcel
How many hectares do you have?
What do you cultivate?

2 Income
How much coffee do you sell?
The prices before joining and now?
Is it difficult to make a living as a coffee producer?
To improve conditions, whose responsibility?
Other sources of income?

3 Family
Who they are?
Education and work?
Gender equality? What it means and what they do?

4 The Appagrop
Why did you join?
Positive aspects and negative aspects?
Have things changed in your life?
More resources?
What do you learn?

5 Benefits
Credits
the final settlement
the stock up
long term benefits?

6 Participation
How does the organisation function?
how does decision making take place?
Cases and changes you have created?
Who speak?
The role of the Appagrops in Cepicafé?

7 Fairtrade
Do you know what fairtrade is? Do you know how the premium is spent? Do you know who makes those decisions?
Do the delegates inform about decisions they make in the general assembly?

8 Self esteem
Do you feel more safe? Feel that you can state your opinion in meetings?
Do you value yourself more? Proud of production?
Interview guide no. 5

Interview guide for independent producers

1 Parcel
How many hectares do you have?
What do you cultivate?

2 Family
Who they are?
Education and work?

3 Income
How much coffee do you sell?
The prices of coffee?
Is it difficult to make a living as a coffee producer?
To improve conditions, whose responsibility?
Other sources of income?

Selling to middlemen. The price, security, negotiations.

4 Cepicafé
Why not organised?
What are the benefits gained in Cepicafé?
If they would like to be organised.

What is well-being?
what does it mean to be better off?
What is poverty?
Interview guide no. 6

Interview guide for the head of commercialisation at Cepicafé

About Fairtrade
when did they start selling to the FT market
how much do they sell each year?
what conditions to they have to follow?
  ● social
  ● gender
  ● hectares
  ● democratic organisation

What is the importance? Where would Cepicafé be without it?
What do they get from it?
How much per quintal?
How are the farmers paid? (everyone or just a few?)
the premium, how is it used?
Who makes the decision?
Is it done in a democratic way?
What do the farmers know?
Are they trying to improve knowledge about it?
**Interview guide no. 7**

**Interview guide for the general director at Cepicafé**

1 **Fairtrade and organic**
   The significance of Fairtrade for the organisation. Where would they be without fairtrade?

   The organic market.

   How often do they come from FLO and what do they do?

   How many times do they come from Biolatina? What do they do?

   The 24 activities for organic production, what are they?

2 **Payment**
   How do Cepicafé pay the producers? The stock up. The final settlement?

   How they decide the price.

   Difference between organic and conventional?

3 **Premium**
   How is the premium spent?

   The scholarships, what are the requirements.

   How do you inform the producers?

4 **Credits**
   What kind of credits do the producers receive?

   How do they pay them back?

   What if the loan is big, what are the producers left with?