



## Fair-Trade Organic Coffee in Thailand: a Lesson from the Catholic Church.

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### Abstract

In recent years, significant attention has been given to the social, environmental, and economic benefits of organic farming (OF) and Fair-Trade (FT) for hill-tribe coffee producers in Thailand. Nonetheless, there has been limited empirical research on how and why they accept or refute them. In that regard, the present research examined the impact of agro-systems and business strategies introduced by the Catholic Church in Lampang through 3 Online Focus Groups (OFGs) with 18 mountaineers (m/f) aged 20-36 years. Transcripts of discussions were evaluated for common themes by the author and via the NVivo™ QDAS program (macOS version). Further details concerning tradeoffs and challenges of eco-friendly management of water, soil, and ground cover vegetation were obtained through a literature review of recent scholarships. Outcomes suggest that the Catholic Church improved the livelihood and resilience of indigenous groups while spreading a commitment to sustainability that prioritizes social goals. As it was mentioned during OFGs, coffee cultivation required almost no chemical pesticides and fertilizers, but a higher input of manual labor. Not surprisingly, the price premium received by stakeholders despite the fluctuations of national and international markets, compensated for the extra labor input, low yield, and time-consuming experiments with natural means and mechanical instruments. Despite local progress, there remains considerable uncertainty regarding the future of the model without radical policy change at the state level.

**Keywords:** *Thailand, Organic Farming, Coffee, Fair-Trade, Highlanders*

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### 1. Introduction

Coffee is one of the top cash-crops of the Kingdom of Thailand. There are two types of beans that are grown – Arabica and Robusta. While the first one is cultivated in the northern regions, the second is harvested in the southern territories. In the mountains of Lampang, small-scale indigenous farmers depend on coffee as their main income source but often deal with declining prices for their produce, as well as degradation of natural resources. In this scenario, organic farming (OF) and Fair-Trade (FT) are identified as opportunities for cultivators, in particular, and the national agri-food sector, in general. The situation has prompted social scientists to try to capture the consequences of an ecologically balanced and socially responsible industry. Works published insofar in Thailand have focused primarily on adverse effects on environmental and human health of traditional agriculture (Kongsom & Panyakul, 2016), the financial implications of OF (Seufert et al., 2012), and the impact of FT on consumer behavior (Reed, 2001). Unfortunately, only a few scholarships have focused on OF-FT narratives and political dynamics. Drawing after the afore rationale, the research examined norms of fairness in business and trade parlance of a *non-profit* coffee business launched by the Catholic Church, in Lampang. At the same time, it investigated lived experiences and subjective perceptions. Findings suggest that, throughout the years, Christian leaders have not only encouraged mountaineers to adopt agro-technologies that rely on local renewable resources, but they have also provided them with jobs and assistance for extensive volunteer and activist networks. In other words, the ‘community organic food market’ ameliorated the quality of life (QoL), defended bio-diversity and supported small scale solidarity economies. Commentaries show that locals wanted to reform inequalities, obtain better working conditions, and create empathy. A closer look at their discussions revealed that they were proud of being full-fledged partners in an innovative venture. The survey ends with a call to support the work that has been put in place. The fear is that unless public institutions invest more in building indigenous resilience, and bring about the appropriate economic backbone to support such transformation, Thai hill tribes will always be at risk of being pulled apart by the antagonist forces they face, daily.

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## 2. Objectives

The research sought to [1] Discover the strategies adopted by the Catholic Church to foster OF and FT among hill-tribe coffee producers and [2] Weigh the level of awareness and trust among the recipients of assistance. The choice of Lampang, located in the North-West of Thailand, is motivated by its long history of agricultural production. The average farm size is smaller than in other provinces of the country due to succession-induced land fragmentation and national resettlement policies.

## 3. Materials and Methods

To explore the issues involved, the author conducted a Literature Review (LR) and a series of Online Focus Groups (OFGs). Phase one was based on a search of Google Scholar (GS) for (double- and single-blind) peer-reviewed articles, books, book chapters, and conference proceedings. The LR included scholarships measuring the role and efficacy of both FT and OF. Only publications in English and Italian were accepted. The following keywords were applied and combined: ‘Organic Farming,’ ‘Ethnic Highlanders,’ ‘Fair-Trade,’ ‘Coffee,’ ‘Arabica,’ ‘Catholic Church,’ ‘Thailand,’ and ‘South-East Asia.’ Supplementary searches were based on reference lists of all identified material. Key information, including outcome measures, were directly extracted from the texts. Phase two was built on OFGs (as a means of qualitative data collection). OFGs were easy-to-organize, low-cost, and permitted the author to interview individuals who live in remote geographic areas. Participants (PTs) were recruited through posts placed on Social Media Platforms (e.g., Facebook and LINE). The recruitment criteria were designed to attract indigenous people (age  $\geq 18$  years) who [1] Had English language competence; [2] Were directly/indirectly engaged with the Catholic Church, and [3] Desired to be part of discussions related to FT and OF. For this survey, the words ‘ethnic highlander(s),’ ‘mountaineer(s),’ ‘tribesman(men),’ ‘tribeswoman(women),’ and ‘hill-tribe(s)’ are considered synonymic. Baseline questionnaires comprising of socio-economic variables of the household (e.g., size, income, and food production) and demographic data of each family member (e.g., age, ethnic group, and literacy), were translated into Thai and emailed to potential candidates. Those who remained keen were scheduled for a meeting on Skype or ZOOM. Without having received any monetary compensation for doing so, 18 individuals with an average age of 34 years took part in the study. Their education levels ranged from having obtained elementary-school diplomas to undergraduate qualifications. Four people were married, three have children, and fifteen had jobs that comprise manual labor—such as fruit picking or woodcutting. Informed Consent (IC) was obtained before the start of OFGs. Two facilitators led OFGs: the first one was the author himself, and the second one was a local volunteer who possessed the relevant language expertise and who ensured that all PTs could voice their opinions. When necessary, he translated questions from English into Thai, and vice-versa. Each PT chose an alias/pseudonym, which was adopted in place of their name to protect their identity. Over four months, three OFGs were held. Each of them had six members, lasted circa 90 minutes, and was synchronous. The first group consisted of 4 males and 2 females. The second group consisted of 5 males and 1 female. The third group consisted of 6 females. The interview schedule (IS) started with a background check. Then it moved to general questions on OF and FT, which allowed PTs’ thoughts to be explored fully before moving to the more structured part on whether the Catholic Church’s policies generate trust in the values it proposes. After OFGs, debriefing sessions were held to let PTs summing up their ideas.

### 3.1. Data Analysis

After OFGs, generated texts were transcribed *verbatim* in a Word document (Docx), transferred into NVivo™ QDAS program (macOS version), and studied through Thematic Analysis (TA). This qualitative method emphasized organization and rich description of the data set and informed the interpretation of meanings (Braun & Clarke, 2006). Three motivators for OF and FT emerged: [1] FT means the difference between poverty and food sufficiency; [2] OF sustains long-term ecological evenness and assists natural pest controls. Finally, [3] Participation in cooperatives lessens some of the hardships brought on by agriculture. The five most salient barriers were [1] Lack of access to appropriate markets; [2]

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Lack of suitable soil and other natural resources; [3] Lack of capital required for OF and FT; [4] Lack of time; and [5] Lack of willingness. It must be acknowledged that the research confirmed the findings of previous scientific literature. For example, it has been stated that OF and FT assist rural development and conservation processes in non-industrialized countries (Mendez et al. 2010). Apparently, they also ensure the survival of small-scale farms (Audebrand et al., 2009). Nevertheless, they are never free of challenges, such as the risk of falling under their own success (Hira & Ferrie, 2006). Put it simply, when their presence on the market is too limited, they cannot support entrepreneurs, while an excess of prominence can lead small-scale farms to compete against global companies. By the same token, the economic value of low-intensity agriculture is driven by trade houses, dealers, and traders (Valkila, 2009). Interestingly, demand for OF and FT' food exceeds supply, which is still <1% of annual world production (Van der Vossen, 2005).

#### 4. Results

Overall, the Catholic Church ameliorated the quality of life (QoL) of hill tribes in Lampang. It boosted acro-economic knowhow with workshops on rural land and business management. In parallel, it raised *per-capita* income by purchasing coffee beans at above-market prices. The commercial activity covered the average costs of production and met a broadly determined living wage in the sector (Dragusanu et al., 2014). To redress inequality, the Catholic Church also targeted indigenous children and youth with free educational programs. Lastly, it supplied jobs and offered organizational, technical, and financial support for advocacy organizations. These groups presented a newly mobilized demographic, bringing significant social connections and capabilities to Lampang. Many PTs expressed gratitude for the hands-on, face-to-face organizing: *"It saved us from poverty"*. Health concerns were stressed by a few ethically-minded PTs, with one saying: *"Organic food grants us a longer life"* Others denoted that *"Coffee has a more flavored taste."* PTs zeroed in on the fact that the decision to embrace OF and FT was not only an individual matter but also a family issue. One PT mentioned that his peers made him realize that he could not harvest any longer the way he did with a good conscience: *"I understood that we were suffering from self-inflicted wounds."* The inquiry demonstrated that PTs found it difficult to navigate the international agri-food frameworks such as alternative trade organizations (ATOs), and national/international labeling initiatives (LIs): *"There are too many standards. It is so confusing"*. Outcomes suffered from the following limitations: [1] Data obtained from OFGs were only qualitative; [2] There could have been being a bias concerning the type of PTs who agreed to be interviewed; and [3] The interpreter might have influenced PTs' responses and produced faulty feedbacks/comments. Nonetheless, the informal setting of OFGs permitted insights that were simply not possible with quantitative methods.

#### 5. Discussion

Historically, the Catholic Church has been reluctant to take an official position against environmental and economic degradation (Deane-Drummond, 1997). The stance changed abruptly in 1985 when the Vatican issued the statement 'Exercising Responsibility for Creation' which urged people to modify erroneous life-habits. In 1990, during the World Day of Peace Message, the Pope brought to public attention a few key issues concerning deforestation and pollution. His Excellency stated that it is good for everybody to realize that purchasing is always a moral—and not simply—economic act (Cahill, 2010). His observation conveyed the principles of FT and OF. Such perspective is endorsed by Christian Aid in their Global Supermarket Report (Renard, 2013), in the Oxfam Poverty Report (Watkins, 1995), and by the World Development Movement in their 'People before Profits' campaign (Low & Davenport, 2006). Similarly, in 2013, the US bishops claimed that trade and business rules must serve the universal common good of the whole human family and the special needs of the most vulnerable nations (Cahill, 2013).

OF is an agronomic strategy that re-creates and preserves the type(s) of flora and fauna that are found in forests and other woodlands (Bacon et al., 2008). A closer link between harvesting and nature means to replace synthetic fertilizers with organic products as well as pesticides and fungicides with less



harmful alternatives while prohibiting GMOs (Valkila, 2009). OF can create employment in rural areas that have limited job opportunities (Martínez-Torres, 2008), but workers are forced to shovel the soil and carry sacks of produce with little or no mechanical assistance. FT is an institutional arrangement that connects producers, distributors, and consumers via a transnational moral economy (Goodman, 2004). It is a commodity network that offers better prices and greater justice around the world (Jaffee, 2014). Despite not being directly related to ecological preservation, FT pushes individuals towards OF. In other words, to sell fruits, vegetables, and meat in FT networks, people must endorse eco-friendly practices. When they avoid doing so, there is a mismatch of supply and demand (Valkila, 2009). As a result, conventional traders typically sell only a small amount of their non-organic products to FT buyers. However, inside FT and OF markets, the situation is the opposite. Demand for natural products is always high, but stock is notoriously inadequate, which is because farmers forego stronger yields that are obtainable with syntenic shortcuts. Novel plant nutrient sources, including increased nutrient recycling in society, and fertilizers from renewable sources may need to be developed to address the issue (Röös et al., 2018). Importantly, after having been a niche phenomenon for the last decades, the dyad OF-FT is now joining mainstream economic discourses (Becchetti et al., 2011).

In Thailand, the Catholic Church has missions – groups of priests/clerics engaged in what is referred to as partnership of evangelism and social action – that operate in the hilly villages of Chiang Rai, Chiang Mai, and Lampang. In those localities, they are famous for building houses that are home to hundredth of poor people. A decade ago, they started in Lampang, a *non-profit* coffee venture to bring ‘prosperity without growth’ (Jackson, 2009). Since then, they have bought Arabica coffee beans grown locally, sold them in the Kingdom (and abroad), and channeled all the earnings into scholarships for disenfranchised indigenous children and youth. On one side, there has been pressure to replace the extensive use of chemical pesticides and fertilizers affecting public health and agro-system with more natural solutions. On the other side, concerns for those who suffer have directed the attention to continuous investments in community development projects such as dispensaries and childcare facilities. This attitude – a response to the failure of the neoliberal market model – has also nurtured the formation of autochthonous democratic movements, the revival of traditional cultures/folklores, and the creation of jobs (to fight prostitution, drug addiction, and levels of disease that are often off the scale). OFGs showed that PTs were grateful for the aid programs, and for having their identities not only recognized but also defended. They talked in terms of life at the margins being depressing; *“This is a bad existence. It is not good at all”*. While they knew that there was still far more to accomplish (e.g., addressing remaining stubborn pockets of unemployment), they were optimistic. In fact, one PT reported: *“Despite many difficulties, we can change the world we live in, step by step.”* Others felt that what they learned was *“A way to empower themselves.”* Conversely, two PTs linked the opportunity presented by the Catholic Church to a general sense of hope and empowerment; *“The foreigners are nice persons, and they do care about us. Now I feel better”*. One idea that emerged among PTs was to work together to upgrade the soil of uncultivable land, which is extremely hard for individuals who are alone, have no economic security, or for a variety of reasons, lack the techniques needed to do so. What they meant was that progress depends on engaging a wider community for counsel and care.

## 6. Conclusion

Economic, moral, and social concerns drive the relationship between the Catholic Church and hill tribes, in Lampang. Even if a complex web exists between them, characterized by interdependence and reciprocal effects, both parties believe that eco-consciousness and equitable social relations are commercially valuable. The guarantee of an FT price lets coffee producers get control over their lives and, when invested in land or infrastructures, supported effective social inclusion. Despite everything, there are doubts as to whether the success in poverty reduction could expand in other territories and stand the test of time. Conflicts continue to shape the political, social, and economic experiences of ethnic minorities in Thailand, which has strong implications for civil society, which many commentators across the political

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spectrum perceive to be weak. Moreover, while it could be relatively straightforward to aspire to the high-performance vision when it is applied to some economic sectors or geographical areas, it becomes a very much greater and lengthy challenge when the focus shifts to the nation as a whole (Keep & Mayhew, 1999). Perhaps a valuable first step would be investing in an indigenous governance capacity and related resources with a comprehensive legal framework. Raising highlanders' profile within the South-East Asian nation, and grant them just recompense for the historical subordination of their spaces and cultures could also be a valuable option. In this context, if there is one fundamental lesson that can be learned from Lampang, it is of the potential for inter-communal co-operation and the concrete benefits diversity can bring to Thailand's future.

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