Tim Balaski

Don Alexander

GEOG 352

2 December 2013

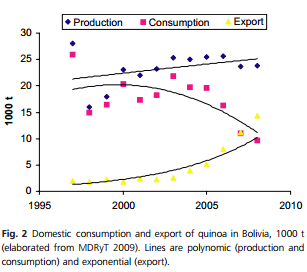
Western Appetite for Quinoa and Fair Trade: Beneficial for Producers or Western Exploitation?

The United Nations has declared 2013 to be the "International Year of Quinoa" in order to draw attention to the pseudocereal's nutritional content, resilience, cultural significance, and prospects for combating food insecurity. This last feature is perhaps the most problematic of the UN emphasis because while it was their intent to focus on the future potential of quinoa, the current reality is that an explosion of western enthusiasm for the crop may be creating a number of regional food security issues. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf [new paragraph]

The recent rise in quinoa's popularity is not at all surprising given these traits but the casual observer ought to be forgiven for wondering just where the foodstuff originates from as it has only begun to appear outside of specialty health food stores and restaurants in the last twenty years or so. Before that, it was a staple food of the people who lived in the Andean highlands that has sustained them for thousands of years. However, the interest in this seed that supplies a complete protein in a rare non animal source has attracted the attention of vegans, vegetarians, and NASA alike for its nutritional properties. Like many agricultural interests [commodities?] from Latin America destined for the global North, it has been subject to market fluctuations that have caused the indigenous crop to be placed beyond the reach of the people that produce it. The massive increase in demand has also resulted in a situation that threatens the sustainability of this crop, its cultivators, and the land it originated in. In this paper, I will be analyzing to what degree fair trade (specifically in the form of the alternate trade organization Alter Eco and the Bolivian farmer cooperative ANAPQUI) is sufficiently capable of addressing the problems of human and natural capital associated with western enthusiasm for quinoa. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf

Poverty is by no means something new to the people that surround the Andean highlands as the economic inequality in Peru, Ecuador, and Bolivia (the three countries that produce the vast majority of the world's quinoa) is "exceptionally high" and this economic situation is particularly magnified in rural areas that depend on natural capital to sustain themselves (Devaux, 2005, p.3). Frustrating UN Millennium Development goals is the fact that poverty in the region is often nebulous and transitive in nature. For instance, although recent studies of the poorest areas of Peru have indicated a ten percent improvement in poverty rates overall, many families have fallen into poverty simultaneously during this advancement (Krishna, 2006, p.1007-1008). Numerous case studies of chronic poverty in the Andean region demonstrate that the "neo-liberal market paradigm alone is unlikely to lead to [the] type of poverty reduction and livelihood security envisaged in the Millennium Development Goals” (Hellin, 2003, p.15).

This demonstrates the first troubling issue with quinoa's rising global popularity: the rising cost is pricing the average cultivator out of affording their own crop which propogates new types of food insecurity for the local people. Although these rural areas have historically relied on crops like quinoa to be a staple, the world market price of the seed has tripled since 2008 (Stocker, 2013) which makes the crop more expensive to the local populace than some meats. This expanding price has led to an increase in imported food that is often less nutritious than the indigenous staple. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf For instance, although malnutrition overall has fallen in the country of Bolivia overall, chronic malnutrition has actually bucked the national trend and risen substantially in quinoa cultivating areas (Romero, 2011). Some economists might claim that this is simply the natural trajectory of any Latin American crop that has become popular on a global scale such as coffee, bananas, corn, or potatoes in a globalized capitalist market. Defenders of the free market are likely to contend that the price fluctuations will stabilize over time as production increases or demand decreases but such judgments are more a statement of the current situation (and possibly not even an accurate prediction) than a normative prescription. Any consideration towards social justice and human capital would take every effort to ameliorate the substantial food security and poverty issues involved with such production. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf



(Jacobson, 2011, p.392)

The other largely concerning issue involving quinoa cultivation is the environmental impact that global demand can bring to bear upon a relatively obscure commodity bearing ecosystem. Ever expanding areas of land that can produce the profitable crop are leading to a destructive effect on supporting ecosystems and a loss of cultivation areas. Environmental concerns that have been pointed out include "insufficient periods of fallowing... steep areas [being] used without sufficient attention to erosion control... traditional enrichment of the soil by manure [being] replaced by synthetic fertilizers... [and] mechanical tillage of native soils" (Small, 2013, p.177). Biodiversity of the areas surrounding the expanding cultivation spots is being lost as land that has traditionally been home to natural vegetation that fed livestock like llamas is being cleared to increase production of the lucrative crop which leads to desertification and pest problems attracted to the monoculture. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf This destruction of natural capital compounds the human cost even further than in most cases because the same land that is being destroyed by demand for quinoa represents the greatest potential for alleviation of inequality in these poverty stricken reasons. The tragedy of the commons conundrum has perhaps never manifested itself so clearly: everyone has a rational self interest to alleviate their own personal economic suffering by maximizing their exploitation of natural capital but that same exploitation is destroying the viability of that resource (Hardin 246). C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf [It would be interesting to know what self-regulating communal management systems people had in the past.]

In order to deal with these environmental and economic concerns, there have been a number of initiatives have sprung up to improve the situation of Andean farmers from both nongovernmental organizations such as the Food and Agriculture Organization as well as more private concerns like the fair trade organization known as Alter Eco. Alter Eco is a trading organization that is spearheading the fair trade movement in the Andean region generally and in the Southern Altiplano of Bolivia specifically. They have partnered with the Bolivian National Association of Quinoa Producers (ANAPQUI) which is the largest small farmer cooperative in the country to exclusively source its quinoa from this entity. ANAPQUI was formed in 1983 with the intent to "improve[ ] the standard of living for quinoa producers and their families [and] strengthen the position of organic quinoa producers in the southwestern Bolivian Altiplano through a model of sustainable economic and social development and welfare (Fairtrade, 2013, p.5). [new paragraph]

The timing of the formation of this organization was no coincidence as during the 1980s, Bolivia was undergoing a period of extreme debt and subsequent austerity implemented by the IMF (Sachs, 1988, p.711). The resultant cutbacks in social services affected rural and indigenous communities disproportionately as they are dual members of chronically underserved populations during even the best of times. ANAPQUI is an umbrella institution that is composed of a number of smaller local or provincial organizations that are concerned with either the production or marketing of quinoa. Quinoa flows from the individual producers to ANAPQUI and in turn is sold to trading organizations like Alter Eco for consumption in a European or American market.

In order to gauge the effectiveness of something like Alter Eco's fair trade on the Andean people through its partnership with ANAPQUI, one must examine how the various programs created for producers address the environmental and economic issues mentioned earlier in this paper. Perhaps the most important function that ANAPQUI and its constituent organizations perform is acting as "bulwarks against intermediaries and sometimes against the farmers' own poor judgement" (Ofstehague, 2012, p.447). This is not only a matter of environmental foresight in terms of acting as good stewards of the land but also in economic matters where extreme material circumstances lead producers to sell their product in a disadvantageous manner or at a disadvantageous price. To this end, Alter Eco in its partnership with ANAPQUI has endeavored to provide quinoa farmers and producers not only a fair wage but also invest in the economic wellbeing of the region by instituting programs that focus on the sustainability of natural capital as well of the profitability of the enterprise.

Firstly, better wage is a significant factor in and of itself with regard to combating food insecurity and environmental sustainability. Increased wages will not only allow indigenous workers to diversify their diet in the most direct sense by enabling the purchase of more of their own crop but other foodstuffs as well that might have been outside their budgetary range before the increase in compensation for their crop. The loss of quinoa in the local diet might not be the tragedy it appears to be if the dearth of quinoa is replaced with an equally nutritious number of alternatives. All things considered, the rising price might not necessitate a drop in nutrition if the increased compensation for their efforts results in real increased purchasing power combined with wider access to international markets. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf Additionally, Alter Eco encourages farmers to retain around 10% of their production for personal use which amounts to approximately 600-800 pounds per year on average. While the fact remains that other (often imported) staples like rice and pasta are in many cases prohibitively expensive [so what external foods were being consumed more?] for Bolivians residing in the Altiplano, it is also important to remember that quinoa is more nutritious and can be more satisfying in smaller amounts and thus more nutritious pound for pound. Another important aspect of this improved wage and fair trade pricing is that a greater level of purchasing power reduces the pressure felt by small producers to constantly expand their operation into new areas in order to satisfy their basic economic needs. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf

Stipulations of Alter Eco (and by extension ANAPQUI) purchases demand not only that a better price for the product is offered than by other intermediaries but also that farmers adhere to a number of standards which intend to preserve natural capital. [rephrase last sentence; a little awkward] For instance, there are requirements that each family maintain a livestock quotient of at least seven llamas per acre of productive farmland in order to provide organic fertilizer. This satisfies both the need for an organically grown product from a western perspective and the necessity to move away from the industrialized monoculture that has resulted in the destruction of certain plots of land. Moreover, the company provides agriculture experts to consult with the local populace and demonstrate ways to mitigate soil erosion and desertification as part of the partnership with the ANAPQUI cooperative. There is also the added incentive of the fair trade is a monetary incentive beyond the fair trade price. One third of this premium is required to be dedicated to preventing further soil erosion while the other two thirds are committed to community and infrastructure projects that are democratically chosen by the membership of the cooperatives.

Unfortunately, there is a paucity of independent, peer reviewed data as to the overall effects that fair trade has had on these individual farmers as yet. The claims of Alter Eco would seem to hold up to scrutiny in the absence of any counterfactual evidence but it is too soon to tell definitively. Combining a fairer price for the export product as well as engaging with farmers directly to improve their material circumstances and financially encouraging more sustainable land practices addresses many of the most pressing issues examined thus far. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf

However, fair trade practices come with their own host of issues as well. For instance, some studies have shown that the fair trade movement excludes the majority of the disadvantaged producers that should be benefitting the most from its practices and that fair trade has actually exaggerated some of the inequities suffered by smaller producers (Carimentrand, 2010, p.9). Some farmers feel that the transportation costs are exorbitant 9they don’t exist with non-Alter Eco production?] , some feel that the regulations and stipulations are not worth the effort for the incentive, and some claim that the requirements for belonging to these fair trade cooperative schemes are out of step with their needs. If the fair trade movement is to be as effective as possible, the small producers, the ANAPQUI cooperative, and trade organizations like Alter Eco are all going to have to work towards consolidating their individual needs [approaches?] into a collective and shared vision for sustainable production.

Obviously, the solution is not to totally curb our appetite for foods from impoverished areas abroad. That sort of absolutism threatens to leave those who we intend to help out of extreme poverty even worse off than the status quo. Crops like quinoa will continue to be a part of western diets whether demand threatens source populations or not as is the case with any number of staples produced in the global south for capitalist markets. There has been adequate historical evidence that if there is enough interest, the environmental impact of a product is of little concern to the market. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf

Fair trade is certainly a great alternative to the laissez faire inclinations of the free market but it is only one tool available to us. In order to effectively combat the downsides of quinoa's popularity, a constellation of different initiatives need to come into being. Firstly, this fair trade movement needs to increase its relevance and attractiveness to Andean farmers and western consumers alike. This will require more research and outreach in the former case and an increase in consumer awareness in the latter. There also needs to be a diversification in terms of regions of cultivation. For instance, studies have shown that other areas with a comparable geography (where other crops would struggle) such as mountainous parts of Africa, Asia, and the Middle East (Jacobsen, 2003, p. 3) are viable alternative cultivation areas. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf This would be doubly beneficial as many countries in these regions (especially the Middle East) are suffering from a implosion of their agricultural sectors as people migrate from rural to urban areas in search of better paying professions. We have already seen some reversal of that trend in quinoa producing countries because of the meteoric rise in its price. Alternately (or additionally), it may behoove us as westerners to somewhat scale back our consumption of quinoa slightly to reduce the pressure to produce more and more year after year until the production can be sustainably increased. It is tempting to be cynical about the fair trade movement's capacity to improve the lives of the Andean farmers but this analysis demonstrates that it is a good step in the right direction and certainly better than the less attractive alternatives. C:\Users\Owner\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.IE5\ZIS0E42V\MC900434713[1].wmf [well-researched, very original topic, and very original topic for the most part. A map with indication of key growing areas would have been nice, along with a couple of photos. Grade: A]

Works Cited

Carimentrand, Aurélie, & Ballet, Jérôme. (2010). When Fair Trade increases unfairness: The case of quinoa from Bolivia. *Cahier/Working paper FREE*(5-2010).

Devaux, A, Thiele, G, Lopez, G, Bernet, T, Ordinola, M, Manrique, K, . . . Velasco, C. (2005). *Facilitating Innovation for Poverty Reduction the Andes*: International potato center (CIP).

Fairtrade, International. (2013). Asociación Nacional de Productores de Quinua - ANAPQUI Producer Profile.

Hardin, Garrett. (2009). The Tragedy of the Commons∗. *Journal of Natural Resources Policy Research, 1*(3), 243-253. doi: 10.1080/19390450903037302

Hellin, Jon, & Higman, Sophie. (2003). Crop diversity and livelihood security in the Andes: the case of potatoes and quinoa. *Staying Poor: Chronic Poverty and Development Policy at IDPM, University of Manchester*, 7-9.

Jacobsen, Sven-Erik. (2003). The Worldwide Potential for Quinoa (Chenopodium quinoa Willd.). *Food Reviews International, 19*(1/2), 167.

Jacobsen, S. E. (2011). The Situation for Quinoa and Its Production in Southern Bolivia: From Economic Success to Environmental Disaster. *Journal of Agronomy and Crop Science, 197*(5), 390-399. doi: 10.1111/j.1439-037X.2011.00475.x

Jacobsen, S. E. (2012). What is Wrong With the Sustainability of Quinoa Production in Southern Bolivia – A Reply to Winkel et al. (2012). *Journal of Agronomy and Crop Science, 198*(4), 320-323. doi: 10.1111/j.1439-037X.2012.00511.x

Krishna, Anirudh, Kristjanson, Patti, Kuan, Judith, Quilca, Gustavo, Radeny, Maren, & Sanchez-Urrelo, Alicia. (2006). Fixing the Hole in the Bucket: Household Poverty Dynamics in the Peruvian Andes. *Development and Change, 37*(5), 997-1021. doi: 10.1111/j.1467-7660.2006.00510.x

Ofstehage, Andrew. (2012). The construction of an alternative quinoa economy: balancing solidarity, household needs, and profit in San Agustín, Bolivia. *Agriculture and Human Values, 29*(4), 441-454.

Romero, Simon, & Shahriari, Sara. (2011, 2011/03/19/). Quinoa’s Global Success Creates Quandary in Bolivia, *The New York Times*. Retrieved from http://www.nytimes.com/2011/03/20/world/americas/20bolivia.html

Sachs, Jeffrey D, Bulow, Jeremy, & Rogoff, Kenneth. (1988). Comprehensive debt retirement: The Bolivian example. *Brookings Papers on Economic Activity, 1988*(2), 705-715.

Small, Ernest. (2013). 42. Quinoa – is the United Nations’ featured crop of 2013 bad for biodiversity? *Biodiversity, 14*(3), 169-179. doi: 10.1080/14888386.2013.835551

Stocker, Ed. (2013, 2013/11/16/22:35:10). Quinoa: Good for you – bad for Bolivians. *The Independent.* from http://www.independent.co.uk/life-style/food-and-drink/features/quinoa-good-for-you--bad-for-bolivians-8675455.html